

# Kalgoorlie Miner

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HD Consolidation expected  
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Norton Gold Fields managing director Dianmin Chen says he believes there will be more consolidation in the WA gold industry with the present market conditions.

The Chinese-owned company has dominated the headlines in recent months with its successful takeover of Bullabulling Gold, of which it now owns more than 60 per cent.

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The successful bid has increased Norton's market share in the Goldfields, delivering Bullabulling's low-grade Coolgardie gold project and the Paddington and Enterprise mines it already operates.

Norton launched the surprise bid in April and originally offered 7 cents per share, but was rebuffed by the Bullabulling board, which urged shareholders not to take up the offer.

The company, owned by Chinese giants Zijin Mining Group, continued to increase its stake and the takeover was essentially completed when Resolute Mining sold its 6 per cent stake in the project to Norton earlier this month.

This increased its stake to 41.35 per cent and, combined with an increased 8 cents per share offer, forced the Bullabulling board's hand.

"The directors have reached the inevitable conclusion that they should amend their recommendation to shareholders, and therefore have unanimously resolved to recommend that shareholders accept Norton's 8 cents offer," it said.

Norton held 55.92 per cent of the former gold producer's ordinary shares when managing director Dianmin Chen spoke to the Kalgoorlie Miner late on Tuesday.

However, its holdings increased to 61.09 per cent, or more than 214 million fully paid shares yesterday.

Mr Chen said despite the complications during the bid, he was very pleased the company had a controlling interest.

"Passing the 50 per cent share in the company certainly shows the shareholders have been accepting and we're hoping to secure as much as we can," he said.

"I think our offer is very attractive.

"I know the Bullabulling board thinks it's a bit low, but there is overwhelming support from the shareholders and in this market it is very fair value.

"The market is tough, but I think we've provided good news for the gold mining industry and we expect more and more consolidation in the gold industry."

Mr Chen said he had very high hopes for the future of the Coolgardie project and believed Norton was the right **company** to take advantage of the 3.5Moz deposit.

"We need to see where we are with the project now and what we can do with it," he said.

"What we would like is to fully understand it and get the best out of the deposit.

"For us, we know we have enough experience to really develop the project and we're confident we can bring it into production."

**CO** cnchgd : Bullabulling Gold Limited | nogofe : Norton Gold Fields Ltd

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