



The Manager
Company Announcements Office
ASX Limited
Level 10
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Dear Sir / Madam

Westgold Resources Limited
Off-market takeover bid for Aragon Resources Limited

We refer to the bidder's statement lodged by Westgold Resources Limited ABN 60 009 260 306 (**Westgold**) with the Australian Securities and Investments Commission (**ASIC**) on 21 February 2011 in respect of an off-market takeover bid for all of the fully paid ordinary shares and issued options in Aragon Resources Limited ABN 63 114 714 662 (**Aragon**).

We attach, by way of service pursuant to section 647(3)(b) of the Corporations Act 2001 (Cth), Westgold's supplementary bidder's statement dated 15 March 2011 (**Supplementary Bidder's Statement**).

A copy of the Supplementary Bidder's Statement has been lodged with ASIC and served on Aragon earlier today.

Yours faithfully

ANDREW CHAPMAN
COMPANY SECRETARY

Please direct enquiries to:
Telephone: (08) 9326 5700

For personal use only





Westgold Resources Limited

ACN 009 260 306

Supplementary Bidder's Statement

This is a supplementary bidder's statement under section 643 of the Corporations Act 2001 (Cth) (**Supplementary Bidder's Statement**) issued by Westgold Resources Limited (**Westgold** or **Company**) in relation to Westgold's conditional off-market takeover offer to acquire all of the fully paid shares and options in Aragon Resources Limited ACN 114 714 662 (**Aragon**) contained in Westgold's bidder's statement dated 21 February 2011 (**Bidder's Statement**).

This Supplementary Bidder's Statement supplements, and should be read together with, the Bidder's Statement. Unless the context otherwise requires, terms defined in the Bidder's Statement have the same meaning in this Supplementary Bidder's Statement.

This Supplementary Bidder's Statement is dated 15 March 2011, being the date on which this Supplementary Bidder's Statement was lodged with ASIC.

This is an important document and requires your immediate attention. If you are in doubt as to how to deal with this document, you should consult your financial or other professional adviser immediately.

Legal Adviser



1. Additional information regarding production targets and scoping study

In response to matters raised by ASIC following its review of the Bidder's Statement, the following further information is provided by Westgold in order to clarify certain information included in the Bidder's Statement and previous ASX announcements made by the Company.

1.1 Production target statements

In the Bidder's Statement, the following important note is made in respect of the production target statements made on pages 9, 21 and 43 of the Bidder's Statement:

Production targets are currently conceptual in nature and relate to future production goals based on the current resources. Detailed feasibility studies are currently underway to advance the economic evaluations of the various deposits. While the Resources are adequate to support these production targets, these Resources are not Reserves and therefore it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets are also subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

It should be noted that the above statement also applies to all references to production targets appearing in:

- (a) the Chairman's letter on page iii of the Bidder's Statement and pages 6, 8, 13 and 42 of the Bidder's Statement; and
- (b) the Company's announcement to ASX dated 11 October 2010 and subsequent reports and announcements concerning the Rover 1 scoping study released to ASX.¹

1.2 Exploration target statement

On page 23 of the Bidder's Statement, Westgold states it is initially targeting a 500,000 ounce Gold Equivalent resource at the Explorer 142 target.

This statement concerns an exploration target which is conceptual in nature and should not be construed as indicating the existence of a JORC Code compliant mineral resource.

The potential quantity and grade of this target is in the range of 2.5Mt-3.0Mt with a grade range of 6.0-6.5g/t gold equivalent. This target is based on an intense aeromagnetic anomaly with a strike length of at least 1,500 metres, with recent drilling having intersected strong copper-gold-bismuth-cobalt mineralisation over a zone of approximately 300 metres x 250 metres and the mineralisation remains open. All drilling completed to date occurs over only 400 metre strike length of this

¹ Refer to the Company's ASX announcement dated 11 October 2010, September 2010 Quarterly Report released to ASX on 29 October 2010, AGM Presentation released to ASX on 24 November 2010, "Mines and Money, London" presentation released to ASX on 30 November 2010, December 2010 Quarterly Report released to ASX on 31 January 2011 and 2011 Explorers Conference Presentation released to ASX on 22 February 2011.

1,500 metre magnetic anomaly. Additional parallel drill targets remain to be tested within the overall magnetic anomaly.

The potential quantity and grade is conceptual in nature and at present there has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the determination of a mineral resource within the meaning of the JORC Code.

1.3 Scoping study cost parameters

On pages 9 and 21 of the Bidder's Statement, and in the Company's announcement to ASX dated 11 October 2010 and subsequent reports and announcements concerning the Rover 1 scoping study released to ASX,² statements are made concerning the key parameters of the Rover 1 scoping study with respect to:

- (a) capital cost estimates;
- (b) operating cost estimates; and
- (c) modelled net cash flow.

It should be noted that these parameters are estimates made for the purposes of the scoping study and should not be regarded as reliable forecasts of actual costs and cash flows.

These statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Westgold. Actual results, values, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in these statements.

Westgold cautions that no investment decision should be made on the basis of the cost estimates and modelled net cash flow statements referred to in the Bidder's Statement and the Company's previous reports and ASX announcements concerning the Rover 1 scoping study.

1.4 Gold equivalence statements

On page 20 of the Bidder's Statement the following statement is made with respect to the statements concerning Gold Equivalent ounces for the Rover 1 deposit:

The Gold Equivalence calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces. The prices used in the calculation being US\$1100/oz Au, US\$7000/t Cu, US\$21.0/lb Co, US\$7.5/lb Bi and US\$15.0/oz Ag and approximate metal prices as at 18 Feb 2010.

The Gold Equivalent formula is:

$$\text{AuEq} = \text{Au} + 0.014 \cdot \text{Ag} + 4.675 \cdot \text{Bi} + 13.091 \cdot \text{Co} + 1.979 \cdot \text{Cu}.$$

It is the Company's opinion that all the elements in the Gold Equivalent calculation referred to above have reasonable potential to be recovered.

² Refer to the Company's ASX announcement dated 11 October 2010, September 2010 Quarterly Report released to ASX on 29 October 2010, AGM Presentation released to ASX on 24 November 2010, "Mines and Money, London" presentation released to ASX on 30 November 2010, December 2010 Quarterly Report released to ASX on 31 January 2011 and 2011 Explorers Conference Presentation released to ASX on 22 February 2011.

The Gold Equivalence statements in the Rover 1 resource refers to the total combined contained metals in the ground as defined by drilling, expressed in the terms of a single metal (gold) where each metal used in the formula is expected to be recovered during the future mining process. The assumption of 100% recovery in the resource represents a conceptual pass/fail level for recovery, with 100% representing "recoverable" and conversely 0% representing "unrecoverable".

The reference to a 100% recovery should not be taken to refer to any expectation by the Company that 100% of any or all metals will in fact be recovered during the mining process. Preliminary metallurgical evaluation on 20 samples from the Jupiter Lode within the Rover 1 ore body and geological similarities between the Rover 1 ore body and previously mined deposits within the Tennant Creek Goldfield provides confidence that all the metals used in the calculation will be recoverable to varying degrees during any future mining process. Comprehensive and detailed metallurgical samples representative of the entire Rover 1 ore body are currently under evaluation to determine the final expectant mining and processing recovery.

The above statements apply to all references to Gold Equivalent ounces for the Rover 1 deposit in the Bidder's Statement.

2. Approval of Supplementary Bidder's Statement

This Supplementary Bidder's Statement is dated 15 March 2011 (being the date on which this Supplementary Bidder's Statement was lodged with ASIC) and has been approved by a unanimous resolution of the Directors of Westgold.

A copy of this Supplementary Bidder's Statement has been lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the content of this Supplementary Bidder's Statement.

Signed for and on behalf of
Westgold Resources Limited



Andrew Beckwith
Managing Director