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THIS IS AN IMPORTANT DOCUMENT.
IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THE OFFER, YOU SHOULD CONSULT A MEMBER
OF THE NEW ZEALAND STOCK EXCHANGE, ASX OR A FINANCIAL OR LEGAL ADVISOR IMMEDIATELY.

FULL OFFER BY



**NORMANDY NFM
LIMITED**
ABN 39 007 688 093

to acquire equity securities in

OTTER GOLD MINES LIMITED

ARBN 003 082 773

TO ACCEPT THIS OFFER SEE PAGE 4

If you have sold all your shares or options
in Otter Gold Mines Limited, you should immediately
hand this Offer document and the accompanying
Acceptance Form/s to the purchaser,
or to the member of the NZSE, ASX or other agent
through whom the sale was made,
to be passed to the purchaser.

**THIS OFFER CLOSSES AT 5.00 PM ON 29 JANUARY 2002
(UNLESS EXTENDED IN ACCORDANCE WITH THE TAKEOVERS CODE)**

IMPORTANT NOTICE

This document constitutes a prospectus for the purposes of the Corporations Act of Australia, an investment statement under the Securities Act 1978 (NZ), and a takeover offer under the New Zealand Takeovers Code.

This document is therefore required to contain certain information which may not all be relevant to all recipients of the Offer document.

The information contained in this Offer document is correct, to the best of Normandy NFM's knowledge, as at 19 November 2001.

PROSPECTUS

For the purposes of Australian law this document is dated 27 November 2001 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date. No responsibility for the contents of this document is taken by ASIC. Under the Corporations Act, a prospectus must have an expiry date. Accordingly, no securities will be allotted, issued or sold on the basis of this document later than its expiry date, being the date 13 months after the date of this document. This expiry date may not necessarily be the same date as the date the Offer closes.

The Offer date for the purposes of New Zealand law is 3 December 2001.

Before deciding to accept the Offer and receive shares in Normandy NFM, you should read the entire document. You should seek professional investment advice before deciding whether to accept the Offer. No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this document. Any information or representation not so contained may not be relied on as having been authorised by Normandy NFM in connection with the Offer for shares in Normandy NFM.

Restrictions on distribution of this document outside of Australia and New Zealand

This document does not constitute an offer to be issued Normandy NFM Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of this document in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this document outside Australia and New Zealand should seek advice on and observe such restrictions. Any failure to comply with restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify Normandy NFM's shares or the Offer, or otherwise to permit a public offering of Normandy NFM's shares outside Australia or New Zealand.

GLOSSARY

Certain terms and abbreviations used in this document have defined meanings as set out in the Glossary appearing on pages 33 to 34.



**NORMANDY NFM
LIMITED**

REGISTERED & PRINCIPAL OFFICE
100 Hutt Street, Adelaide, South Australia, Australia
Box 7175, Hutt Street PO, Adelaide 5000, South Australia, Australia

ABN 39 007 688 093

Telephone +61 8 8303 1700
Facsimile +61 8 8303 1900

3 December 2001

Dear Otter Shareholders and Optionholders

On 11 October 2001 Normandy NFM announced its intention to bid for all of Otter's issued shares and options. This Offer document contains the formal documentation to give effect to this Offer and is accompanied by Normandy NFM's Annual Report for 2001 and its September Quarterly Activity Report.

The merger of Otter and Normandy NFM represents a logical consolidation of both companies' extensive and highly compatible interests. The combined group will be the major operator in the Tanami region and will have the financial strength and technical expertise to fully explore its combined exploration acreage in the Tanami. Further, the combined group would still retain a 33% interest in the Martha Hill mine and the Favona prospect. The consideration being offered to Shareholders is 1.9 Normandy NFM Shares for every 100 Otter Shares. Based on a share price for Normandy NFM of A\$9.30, immediately prior to the Offer being announced, this values the Otter Shares at NZ\$0.214 (A\$0.177) each.

This Offer provides significant benefits to Shareholders:

- The Offer represents a significant premium (68%) to Otter's pre bid share price;
- Shareholders will exchange their shares in a junior gold producer, which has a high debt burden and out of the money hedge book, for shares in a major gold producer and explorer;
- Normandy NFM is a financially strong company (no debt and net cash and bullion of NZ\$104 million (A\$86 million) as at 30 September 2001);
- Normandy NFM has a market capitalisation of NZ\$857 million (A\$709 million) based on a share price of A\$9.30;
- Normandy NFM has made four significant discoveries in the Tanami in the last 10 years and production has risen from 109,271 ounces per year in the 1990/91 year to 420,836 ounces in the 2000/01 year;
- Shareholders will retain an interest in a company focused on the Tanami region;
- Normandy NFM has a history of paying dividends and should continue to pay dividends. Otter hasn't paid a dividend since 1993. Otter Shareholders who accept the Offer (and who retain their resulting Normandy NFM Shares) will participate in all future dividends declared and paid by Normandy NFM.

Shareholders need to give careful consideration to the likely impact on Otter's future share price should the Offer not succeed.

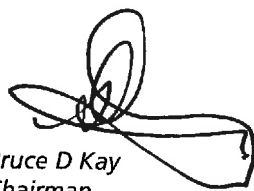
- If the Offer conditions are satisfied but Otter remains a listed company (ie. Normandy NFM receives acceptances for more than 50.1% but less than 90% of Otter Shares) the Otter share price may fall, possibly back to the pre bid price, once the Offer closes.
- If the Offer conditions are not satisfied the Otter share price is likely to decline, possibly as low as the pre bid price of A\$0.10 per share, and the long term trend of a falling share price may be resumed.
- Remaining Shareholders may also be left holding shares in a relatively illiquid stock.

Normandy NFM is listed on the ASX and will not be seeking a listing on the NZSE.

The Offer is scheduled to close on 29 January 2002. To accept this Offer please see page 4 of this booklet.

I commend this Offer to you and urge you to read this Offer document, before accepting Normandy NFM's offer.

Yours faithfully
Normandy NFM Limited


Bruce D Kay
Chairman

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INVESTMENT STATEMENT: IMPORTANT INFORMATION

(The information under this heading is required under the Securities Act 1978 (NZ)).

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

What sort of an investment is this?	17
Who is involved in providing it for me?	17
What will this cost me?	17
What are the charges?	18
What returns will I get?	18
What are my risks?	18
Can the investment be altered?	20
How do I cash in my investment?	20
Who do I contact with enquiries about my investment?	20
Is there anyone to whom I can complain if I have problems with the investment?	20
What other information can I obtain about this investment?	21

In addition to the information in response to those questions, important information can be found in the remainder of this Offer document.

Choosing an investment adviser

Under New Zealand law, you have the right to request from any investment adviser a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you:

- (i) whether the adviser gives advice only about particular types of investments;
- (ii) whether the advice is limited to the investments offered by 1 or more particular financial organisations; and
- (iii) whether the adviser will receive a commission or other benefit from advising you.

You are strongly encouraged to request that statement. Under New Zealand law, an investment adviser commits an offence if he or she does not provide you with a written disclosure statement within 5 working days of your request. You must make the request at the time the advice is given or within 1 month of receiving the advice.

In addition, under New Zealand law:

- (i) if an investment adviser has any conviction for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- (ii) if an investment adviser receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes.

IMPORTANT DATES

3 December 2001	Date of the Offer
29 January 2002	Closing Date of the Offer (unless Closing Date extended)
12 February 2002	Latest date Normandy NFM can declare Offer to be unconditional (unless Closing Date extended)
19 February 2002	Latest date consideration for the Offer must be sent to the persons whose securities are taken up under the Offer (unless Closing Date extended)

SUMMARY OF OFFER

On 11 October 2001 Normandy NFM Limited announced that it would make a full offer under the New Zealand Takeovers Code for all of the issued shares and options in Otter Gold Mines Limited not already held by Normandy NFM. The key terms of the Offer are:

Offer Price:

- 1.9 ordinary fully paid shares in Normandy NFM for every 100 Otter Shares held; and
- NZ\$0.012 for every 100 Options held.

Major Conditions:

- receipt of acceptances which take Normandy NFM's voting rights to 50.1% of the voting rights in Otter;
- a standstill agreement being entered into between Otter, certain subsidiaries of Otter and Macquarie Bank Limited (Otter's principal bankers), in relation to the change of control provisions within Otter's material debt and hedging facilities and pursuant to which inter alia certain obligations of Otter under those facilities are temporarily suspended or reduced for a period of 12 months and hedging arrangements and margins are altered.

Further conditions are set out in paragraph 2.5 of this Offer document.

Scheduled Closing Date:

- Offer closes 5 p.m. on 29 January 2002 (unless extended in accordance with the Takeovers Code).

The detailed terms of the Offer are set out at pages 7 to 13 of this Offer document.

How to Accept:

To accept the Offer:

- Complete and sign the enclosed Acceptance Form/s; and
- Post the Form/s to:

Normandy NFM Limited
c/- National Shareholder Services Pty Limited
PO Box 9111
Newmarket, Auckland
New Zealand

OR
Normandy NFM Limited
c/- National Shareholder Services Pty Ltd
PO Box 7156
Hutt Street, Adelaide 5000
South Australia, Australia

If your Otter Shares or Options are held in a CHESS Holding, instruct your stockbroker to accept the Offer on your behalf. Alternatively, if you do not wish to contact your stockbroker, simply complete the details on the enclosed Acceptance Form, sign in the place provided and return it to one of the above addresses. This will authorise Normandy NFM on your behalf to instruct your stockbroker to accept the Offer. If you wish to take advantage of the share sale facility for unmarketable parcels (less than 3,000 Otter Shares), you must complete and return the enclosed Acceptance Form.

Unmarketable Parcels and Share Sale Facilities

- If you accept the Offer for **less than** 3,000 Otter Shares you can elect to have your resulting Normandy NFM Shares sold on your behalf at a discounted brokerage rate of 1% by ticking the appropriate box on the Acceptance Form.
- If you accept the Offer for 3,000 **or more** Otter Shares then you can avail yourself of a Share Sale facility* established with J B Were who will sell your resulting Normandy NFM Shares at a discounted brokerage rate of 1% by contacting J B Were on:

New Zealand Residents
0800 555 555

Australian Residents
1800 802 650

The net sale proceeds will be paid by cheque in Australian dollars.

- * *you must contact J B Were before the end of one month from the close of the Offer to take advantage of the discounted brokerage.*

1. WHY YOU SHOULD ACCEPT

The Offer of 1.9 Normandy NFM Shares per 100 Otter Shares is considered by Normandy NFM to be fully and fairly priced.

The following should be considered when deciding whether to accept the Offer.

1.1 Stakeholder Acceptance

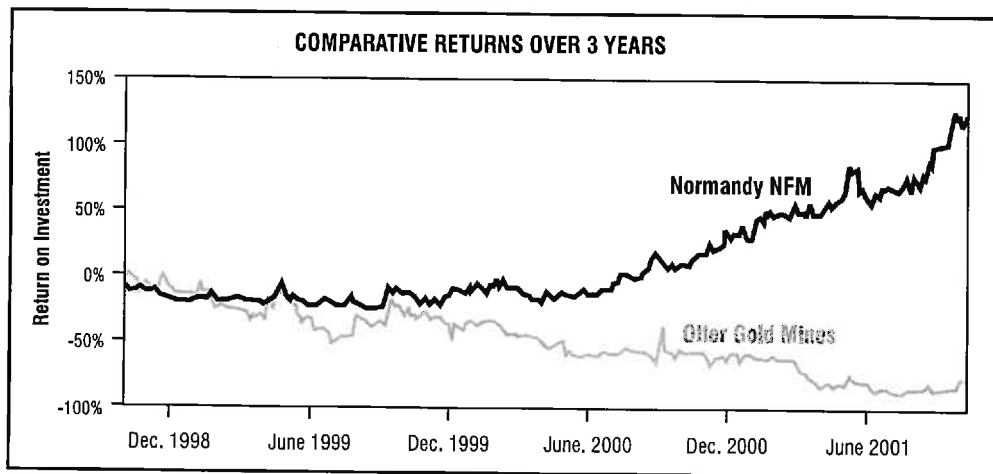
It has been reported in the press that Otter's principal shareholder, the Guinness Peat Group will probably accept the Offer in the absence of a higher bid.

1.2 Normandy NFM is offering a significant premium

The Offer represents a premium over the average Otter share price for the period prior to announcement on 11 October 2001 as follows:

- 34% premium over the average price 30 days prior to announcement;
- 46% premium over the average price ten days prior to announcement; and
- 68% premium above the Otter share price on the day the bid was announced.

1.3 Normandy NFM has consistently outperformed Otter



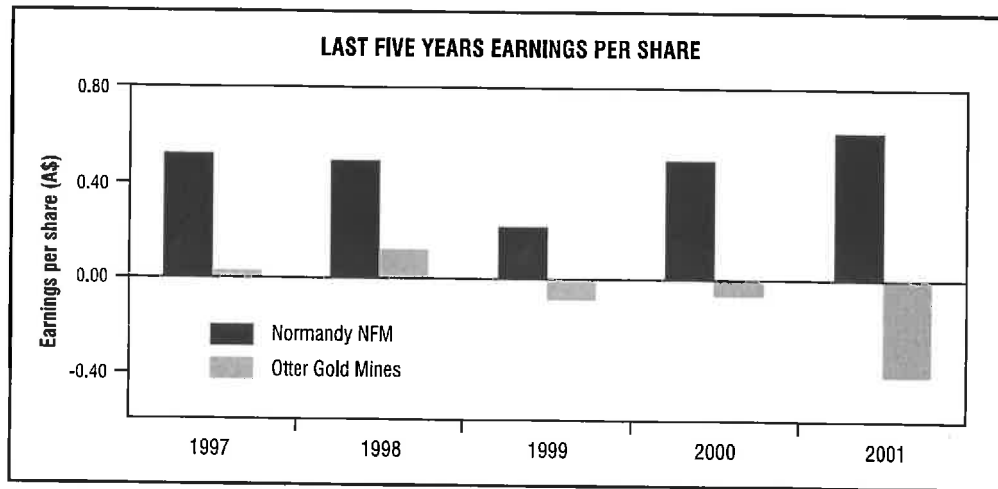
- Over the past three years Normandy NFM's share price has increased from A\$4.25 to A\$9.30, immediately prior to the bid announcement. Over the same period Otter's Australian dollar share price fell by 78% from 77 cents per share to 11 cents per share.
- Including dividends, the value of one Normandy NFM Share has increased by 124% since 1998.

1.4 Normandy NFM is a growing company

Normandy NFM has experienced growth while Otter has been in decline:

- Normandy NFM's reserves have more than doubled over the last five years from 1.3 million ounces to 2.9 million ounces as a result of exploration success;
- Normandy NFM's production has grown from 236,000 ounces in 1997 to 420,000 ounces in 2001 due to expansion;
- Normandy NFM's annual earnings per share exceeded Otter's in each of the last five years, while Otter's losses have been increasing; and

- Normandy NFM has paid out A\$137 million in dividends since 1993, while over the same period Otter has not paid any dividend.



The relative strength of Normandy NFM's financial position (as at 30 June 2001 being the latest financial year end for both companies) is illustrated by the following points:

- Normandy NFM had no gearing compared with Otter's gearing level of 120%;
- Normandy NFM had declared dividends for the year of A\$0.20 per share compared to Otter's nil; and
- Normandy NFM recorded a **profit** of A\$46.8 million compared to Otter's **loss** of A\$33.5 million.

1.5 Exploration presence in the Tanami

Normandy NFM has successfully explored in the Tanami region since its inception in 1969.

- Both Otter and Normandy NFM have long been associated with the highly prospective Tanami region of central Australia and together they would control one of the largest landholdings in the area;
- The merger of Otter and Normandy NFM would allow for consolidation and rationalisation of Otter and Normandy NFM's highly compatible exploration interests; and
- Normandy NFM can provide the necessary funding to explore the combined Tanami interests.

1.6 Options

- Grant Samuel and Associates have verified that Normandy NFM's offer for Options is fair and reasonable as between classes of securities; and
- For Otter Optionholders, accepting the Offer means receiving cash for options which are significantly "out of the money" and very thinly traded or not traded at all.

This Offer provides Otter Shareholders with an opportunity to exchange their shares in a company that has reported losses in recent years and has suffered a major decline in share price for shares in a company in a strong financial position and which has achieved significant appreciation of its share price.

Should the Offer be successful, the combined entity will be the principal explorer in one of Australia's most sought after gold mining regions. Otter Shareholders that accept the Offer and retain their Normandy NFM Shares will participate in all future Normandy NFM dividends.

2. OFFER TERMS

FULL OFFER BY NORMANDY NFM LIMITED TO PURCHASE SHARES AND OPTIONS IN OTTER GOLD MINES LIMITED

To: The Shareholders and Optionholders of Otter Gold Mines Limited

2.1 Offer

- (a) Normandy NFM offers to acquire all of the Otter Shares (being all voting securities in Otter) and Options which it does not already hold.
- (b) The Offer is dated 3 December 2001 and remains open for acceptance until 29 January 2002. Normandy NFM may extend the Offer, subject to the provisions of the Takeovers Code.
- (c) The Offer is made on the terms, and subject to the conditions set out in this Offer document and on the terms contained in the Takeovers Code (except to the extent that the terms contained in the Takeovers Code are, where permitted by the Takeovers Code, varied by the Offer).

2.2 Consideration

- (a) The consideration offered:
 - (i) to each Shareholder is the allotment of 1.9 Normandy NFM Shares for every 100 Otter Shares held (such allotment to be rounded up to the nearest whole number of Normandy NFM Shares); and
 - (ii) to each Optionholder is NZ\$0.012 for every 100 Options held.
- (b) If, at the time of acceptance of the Offer, a person is a Foreign Shareholder (because the person's registered or registrable address is outside of New Zealand or Australia and its external territories), then that person will not be entitled to be issued any Normandy NFM Shares if they accept the Offer. Instead, Normandy NFM will issue and allot the Normandy NFM Shares to which each Foreign Shareholder would have been entitled to a nominee appointed by Normandy NFM. The nominee will then sell the Normandy NFM Shares on the open market as soon as reasonably practicable and forward the proceeds (less any applicable brokerage, taxes and charges) to the Foreign Shareholder in full satisfaction of the Foreign Shareholder's rights under the Offer. Payment will be made in Australian Dollars. Normandy NFM will indemnify each Foreign Shareholder against any losses suffered by the Foreign Shareholder as a result of the failure of the nominee to perform its obligations in a proper manner.
- (c) A shareholding worth less than A\$500 is considered to be an unmarketable parcel in Australia. Therefore a Shareholder who holds less than approximately 3,000 Otter Shares has an unmarketable parcel of Otter Shares and by accepting the Offer may end up holding less than a marketable parcel of Normandy NFM Shares unless the Shareholder already holds Normandy NFM Shares. If, at the time of acceptance of the Offer, a Shareholder holds less than 3,000 Otter Shares, then:
 - (i) that Shareholder may elect to have the Normandy NFM Shares to which they would have been entitled (but for the provisions of this paragraph) issued and allotted to a nominee appointed by Normandy NFM; and
 - (ii) the nominee will then sell those Normandy NFM Shares on the open market as soon as reasonably practicable, at a discounted brokerage rate of 1%, and forward the cash proceeds (less any applicable brokerage, taxes and charges) to the Shareholder in full satisfaction of the Shareholder's rights under the Offer.

Payments will be made in Australian Dollars. Shareholders who hold less than 3,000 Otter Shares may elect to participate in this discounted brokerage unmarketable parcel sale facility by ticking the appropriate box on the Acceptance Form. If your Otter Shares are in a CHESS Holding then you must return the completed Acceptance Form in accordance with the instructions set out on the Acceptance Form to avail yourself of this facility. Normandy NFM will indemnify each Shareholder who participates in the unmarketable parcel sale facility against any losses suffered by the Shareholder as a result of the failure of the nominee to perform its obligations in a proper manner. Shareholders should note that it may be difficult and more costly to subsequently dispose of an unmarketable parcel of Normandy NFM Shares through the ASX.

- (d) Subject to paragraph (e) below, the consideration for the Offer will be sent to Shareholders and Optionholders whose Otter Shares or Options are taken up under the Offer not later than 7 days after the later of:

- (i) the date the Offer becomes unconditional; or
- (ii) the date on which an acceptance and all other supporting documentation required pursuant to the Offer is received,

but in any event not later than 19 February 2002, being the date not later than 7 days after the last date on which the Offer can become unconditional (unless the Offer is extended in accordance with the Takeovers Code). Consideration shall be deemed to have been received by Foreign Shareholders upon the issue of the relevant Normandy NFM Shares to the nominee. Consideration shall be deemed to have been received by Shareholders who elect to use the unmarketable parcel sale facility pursuant to paragraph 2.2(c) upon the issue of the relevant Normandy NFM Shares to the nominee.

- (e) Foreign Shareholders or Foreign Optionholders who, at the time of acceptance of the Offer, are:

- (i) a resident of Iraq or Libya;
- (ii) an authority or agency associated with the government of Yugoslavia (being Serbia and Montenegro), the Taliban (Islamic Emirate of Afghanistan), UNITA (National Union for the Total Independence of Angola) or the Al-Qaida Organisation; or
- (iii) a person or entity named in the annex to the instrument of 3 October 2001 issued under the Australian Banking (Foreign Exchange) Regulations;

will not be entitled to receive any cash payment under the Offer or as a result of the Offer pursuant to paragraphs 2.2(b) or (c) until all requisite authorities and clearances of the Reserve Bank of Australia have been obtained by Normandy NFM.

- (f) If the consideration for the Offer is not sent within the period specified in paragraph 2.2(d) to any Shareholder or Optionholder who has accepted the Offer (apart from by reason of a failure to obtain authorisations or clearances in accordance with paragraph 2.2(e)), that Shareholder or Optionholder may withdraw acceptance of the Offer in respect of their respective Otter Shares or Options:

- (i) by notice in writing to Normandy NFM; but only
- (ii) after the expiration of 7 days' written notice to Normandy NFM of that Shareholder's or Optionholder's intention to do so.

This right to withdraw acceptance of the Offer will not apply if the Shareholder or Optionholder receives the consideration during the 7 day period referred to in this paragraph.

2.3 How to Accept the Offer

This Offer document should be accompanied by all relevant Acceptance Forms which relate to your Otter Shares and/or Options. If you think your Acceptance Forms are not correct, please contact Normandy NFM (all contact details are in the directory at the back of this booklet).

(a) Otter Shares or Options registered in New Zealand

If your Otter Shares or Options are registered in New Zealand and you wish to accept the Offer, complete the enclosed Acceptance Form/s (New Zealand) (White) in accordance with the instructions set out on the Form/s and return the completed Acceptance Form/s (together with the relevant share certificate and option certificate if any) in the enclosed reply paid envelope as soon as possible, but in any event so as to be received by Normandy NFM not later than 5 pm on the Closing Date. If the reply paid envelope has been mislaid, please post your acceptance to:

Normandy NFM Limited
c/- National Shareholder Services Pty Limited
PO Box 9111, Newmarket, Auckland
New Zealand

(b) Otter Shares or Options registered in Australia

- (i) If your Otter Shares or Options are registered in Australia in an Issuer Sponsored Holding and you wish to accept the Offer, you should complete the Acceptance Form/s (Australia) (Yellow) enclosed with the Offer, in accordance with the instructions set out on the Form/s. Your Shares or Options are in an Issuer Sponsored Holding if you have an Issuer Sponsored Holding statement issued by Otter's Australian registry. Please mail the Form/s in the enclosed reply paid envelope as soon as possible, but in any event so as to be received by Normandy NFM not later than 5 pm on the Closing Date. If the reply paid envelope has been mislaid, please post your acceptance to:

Normandy NFM Limited
c/- National Shareholder Services Pty Ltd
PO Box 7156
Hutt Street, Adelaide 5000
South Australia, Australia

- (ii) If your Otter Shares or Options are registered in Australia in a CHESS Holding, you may either:

- contact your stockbroker to arrange acceptance of the Offer; or
- complete the enclosed Acceptance Form/s (Australia) (Yellow) in accordance with the instructions set out on the Form/s. This will authorise Normandy NFM to instruct your stockbroker to initiate acceptance of the Offer on your behalf. Note you must return the Form/s if you wish to avail yourself of the unmarketable parcel sale facility referred to in paragraph 2.2(c).

Your Otter Shares or Options are in a CHESS Holding if you have a CHESS Holding statement issued by ASX Settlement and Transfer Corporation Pty Ltd. By instructing your stockbroker to arrange acceptance for your Otter Shares or Options you shall be deemed to have agreed to and accepted the terms and conditions set out in this Offer document and on the Acceptance Form/s (Australia) (Yellow) enclosed with this Offer document. Your stockbroker must comply with the SCH Business Rules in order to validly accept the Offer.

(c) Foreign Shareholders/ Optionholders

If your address in the Otter register of members or register of Optionholders is shown as a place other than in Australia and its external territories or New Zealand, then you should follow the instructions in paragraph 2.3 above relevant to where your Otter Shares or Options are registered. You will not have a reply paid envelope enclosed, but should post your Acceptance Form/s by air mail so as to be received by Normandy NFM not later than 5 pm on the Closing Date, to:

Normandy NFM Limited
c/- National Shareholder Services Pty Ltd
PO Box 7156
Hutt Street, Adelaide 5000
South Australia, Australia

(d) Unmarketable Parcels

Shareholders with less than 3,000 Otter Shares may elect to have the Normandy NFM Shares to which they become entitled as a result of accepting the Offer, sold and receive a cash payment as set out in paragraph 2.2(c) above. To make this election, Shareholders should tick the appropriate box on the relevant Acceptance Form.

(e) All Shareholders/ Optionholders

Normandy NFM will determine, in its sole discretion, all questions relating to documents, including the validity, eligibility, time of receipt and effectiveness of any acceptance of the Offer. The determination of Normandy NFM will be final and binding on all parties.

By accepting the Offer in accordance with this Offer document you will be deemed to have:

- (i) granted a Power of Attorney in favour of Normandy NFM as follows:

As from the time of the Offer being declared unconditional, I/we hereby irrevocably authorise and appoint Normandy NFM (with power of substitution by Normandy NFM in favour of such person/s as Normandy NFM may appoint to act on its behalf) as my/our attorney and agent to act for me/us and do all matters of any kind or nature whatsoever in respect of or pertaining to the Otter Shares and/or Options for which I/we have accepted the Offer and all rights and benefits attaching to them as Normandy NFM may think proper and expedient and which I/we could lawfully do or cause to be done if personally acting, including the transfer of shares to any person or persons whatsoever, the appointment of a proxy or proxies for any meeting of the shareholders of Otter, attendance in person at, and voting at, such meeting, application to any court whatsoever and execution of all documents in my/our name/s which Normandy NFM may consider necessary for all or any of the foregoing purposes.

- (ii) covenanted to Normandy NFM as a condition of the contract formed by acceptance of the Offer, that at the time of acceptance, and the time the transfer of your Otter Shares and/or Options to Normandy NFM is registered, all your Otter Shares and/or Options in respect of which you have accepted the Offer are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature, that you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership in those Otter Shares and/or Options to Normandy NFM, and that you have paid to Otter all amounts, if any, which at the time of acceptance have fallen due for payment to Otter in respect of those Otter Shares and/or Options;
- (iii) agreed to indemnify Normandy NFM in respect of any claim or action against it for any loss, damage or liability whatsoever incurred by it as a result of you not producing your FIN, SRN or HIN (as applicable) or in consequence of the transfer of your Otter Shares and/or Options being registered by Otter without production of your FIN, SRN or HIN (as applicable);
- (iv) covenanted with Normandy NFM (in the event that you cannot find your FIN, HIN or SRN, as applicable) that you are the owner of the Otter Shares and/or Options for which you have accepted the Offer and that you have made a proper search for your FIN, HIN or SRN, as applicable, and have been unable to locate that number.

Normandy NFM may, in its sole discretion, treat any Acceptance Form as valid notwithstanding that it does not strictly comply with this paragraph 2, and may, in its sole discretion, rectify any errors in, or omissions from, any Acceptance Form.

Acceptance of the Offer by you constitutes a contract between you and Normandy NFM on the terms and subject to the conditions of the Offer.

Other than in the circumstances set out in paragraph 2.2(f) above, you may not withdraw your acceptance during the time the Offer is open for acceptance, whether or not there has been any variation of the Offer.

If you have sold some or all of your Otter Shares or Options, please alter the number of Otter Shares or Options on the relevant Acceptance Form prior to returning the Acceptance Form to Normandy NFM. Upon receipt of the amended Acceptance Form, Normandy NFM will recalculate the number of Normandy NFM Shares or the amount of cash comprising your consideration.

2.4 Terms

The Offer is subject to the following terms:

- (a) Unless the Offer is withdrawn in accordance with the Takeovers Code and every person is released from every obligation incurred under the terms of it, or it lapses in accordance with its terms, the Offer remains open for acceptance until and including the Closing Date, or such later closing date(s) as Normandy NFM may decide in accordance with the Takeovers Code.

- (b) The latest date on which Normandy NFM can declare the Offer to have become unconditional is 14 days after the Closing Date, that is 12 February 2002 (unless Normandy NFM extends the Closing Date in accordance with the Takeovers Code). If the Offer is not declared unconditional by or on that date, or by or on any extended Closing Date, the Offer will lapse.
- (c) The relevant Acceptance Forms duly completed may be treated by Normandy NFM as a valid acceptance of the Offer whether or not accompanied by the relevant FIN, SRN or HIN. A transfer of Otter Shares or Options held in a CHESS Holding in accordance with the SCH Business Rules may be treated by Normandy NFM as a valid acceptance of the Offer.
- (d) The Offer is open for acceptance by any person who holds Otter Shares or Options, whether acquired before or after the date of the Offer, upon production of satisfactory evidence of such person's entitlement to those Otter Shares or Options. This includes such Otter Shares as are issued upon exercise of an Otter Option prior to the Closing Date.
- (e) The Otter Shares and Options are to be acquired free from all liens, charges, mortgages, and encumbrances of any kind whatever, but together with all rights attaching to them, including (in respect of the Otter Shares) the right to all dividends and other distributions arising on or after the date of the Offer.

2.5 Conditions

- (a) The Offer and any contract arising from acceptance of it is conditional on Normandy NFM receiving acceptances in respect of Otter's voting securities that, when taken together with voting rights already held or controlled by Normandy NFM, confer at least 50.1% of the voting rights in Otter. Normandy NFM may not take up any Otter Shares or Options under the Offer unless this condition is satisfied by the latest date Normandy NFM can declare this Offer to have become unconditional as set out in paragraph 2.4(b) above.
- (b) The Offer and any contract arising from it is also subject to the conditions (subject to the right of Normandy NFM at its sole discretion to waive all or any of such conditions in whole or in part to the extent permitted by the Takeovers Code or any exemption granted by the Takeovers Panel) that, during the period from the date of the Offer until the latest date Normandy NFM can declare this Offer to have become unconditional as set out in paragraph 2.4(b) above:
 - (i) a Standstill Agreement is entered into between Otter, relevant subsidiaries of Otter and Macquarie Bank Limited (Otter's principal bankers) on terms approved by Normandy NFM before the date of the Offer pursuant to which:
 - certain change of control provisions in Otter's material debt facilities are waived;
 - certain hedging arrangements will be restructured;
 - obligations of Otter and its subsidiaries pursuant to Otter's material debt facilities and certain hedging arrangements are suspended or reduced for a period of 12 months;
 - margins are reduced conditional on Normandy NFM holding at least 50.1% of the voting rights in Otter;

with such Standstill Agreement being conditional on Normandy NFM guaranteeing Otter's liabilities to Macquarie Bank Limited;
 - (ii) no dividends, bonuses or other payments or distributions of any nature are declared, paid, or made upon or in respect of any of the Otter Shares;
 - (iii) no further shares or convertible notes or any voting securities of any description of Otter or any of its subsidiaries are issued or agreed to be issued (except any issue resulting from the exercise of Options) and there is no alteration of rights, privileges and restrictions attaching to the Otter Shares or the Options;
 - (iv) no further shares in Otter are made the subject of any option or right to subscribe;

- (v) the business of Otter and its subsidiaries is carried on in the ordinary course of business, and no unusual or abnormal payment or liability is made or incurred by Otter or any of its subsidiaries, and no asset or assets are disposed of or encumbered with any security of any kind whatever or agreed to be disposed of or so encumbered or made the subject of any option by Otter or any of its subsidiaries other than in the ordinary course of business, without (in each such case) the prior written consent of Normandy NFM;
- (vi) no alteration to the constitution of Otter or any of its subsidiaries is made without the prior written consent of Normandy NFM;
- (vii) no material variation is made to the terms and conditions of employment and/or appointment of any director, officer or executive of Otter or any of its subsidiaries without the prior written consent of Normandy NFM;
- (viii) none of the assets of Otter or of any of its subsidiaries are destroyed or damaged to an extent which in the opinion of Normandy NFM adversely affects to a material degree the carrying on of the business of Otter or any of its subsidiaries.

2.6 Settlement

- (a) No acknowledgment of the receipt of acceptances of the Offer will be issued.
- (b) If:
 - (i) the Offer is declared unconditional or the conditions (except paragraph 2.5(a)) are waived by Normandy NFM; and
 - (ii) the means of acceptance is in order or deemed to be valid by Normandy NFM pursuant to paragraph 2.3(e); and
 - (iii) you are not a Foreign Shareholder or Foreign Optionholder,
 then (in respect of Otter Shares) a shareholder's holding statement for Normandy NFM Shares, or (in respect of the Options) cash, comprising the consideration owed under paragraph 2.2(a), will be posted in accordance with the authority contained in the Acceptance Form by the date specified in paragraph 2.2(d). If you elect to use the unmarketable parcel sale facility set out in paragraph 2.2(c) and are entitled to do so, the nominee will forward the net proceeds from the sale of the Normandy NFM Shares to you as soon as reasonably practicable.
- (c) If you are a Foreign Shareholder or Foreign Optionholder, then (in respect of Otter Shares) the proceeds of any sale of Normandy NFM Shares pursuant to paragraph 2.2(b), or (in respect of the Options) cash, comprising the consideration owed under paragraph 2.2(a)(ii), will be posted in accordance with the authority contained in the relevant Acceptance Form by the date specified in paragraph 2.2(d) but subject to paragraph 2.2(e).
- (d) If the Offer does not become unconditional and the conditions are not waived by Normandy NFM, the Offer will lapse.
- (e) Normandy NFM's obligations under this paragraph 2.6 in respect of the Otter Shares will be subject to registration of the transfer of the Otter Shares to Normandy NFM. Normandy NFM will present all Acceptance Forms to Otter for registration as soon as possible following the Offer being declared unconditional or the conditions being waived by Normandy NFM.

2.7 Notices

- (a) Notice to Otter, the Takeovers Panel, the NZSE and the ASX:
 - (i) declaring the Offer unconditional; or
 - (ii) advising that the Offer is withdrawn in accordance with the Takeovers Code or has lapsed in accordance with its terms,

in each case, will be deemed to be notice to all Shareholders and Optionholders.

- (b) Notice of any variation of the Offer will be sent to each Shareholder, Optionholder, Otter, the Takeovers Panel and the NZSE in accordance with the Takeovers Code, and to the ASX.

2.8 Change of Circumstances

- (a) If, after the date of the Offer, Otter pays any dividends or makes any other distribution to its Shareholders and the condition contained in paragraph 2.5(b)(ii) is waived by Normandy NFM, Acceptors will be bound to pay to Normandy NFM an amount equivalent to such dividend or the value of such other distribution.
- (b) If, after the date of the Offer, Otter makes any issue of Otter Shares or convertible notes or voting securities or grants any other rights or interests in its shares to Shareholders or Optionholders by way of bonus issue (and the condition contained in paragraph 2.5(b)(iii) above is waived by Normandy NFM), Acceptors will be bound to transfer such Otter Shares or convertible notes or other rights and interests to Normandy NFM, without any additional consideration.
- (c) If all or any of the Otter Shares or Options are consolidated or subdivided after the date of the Offer then the Offer will be interpreted to take into account such consolidation or subdivision and will be deemed to be for the securities resulting from such consolidation or subdivision and the consideration per Otter Share and Option provided for under paragraph 2.2(a) above will be increased or reduced, as the case may require, in proportion to such consolidation or subdivision, and acceptors will be bound to transfer such consolidated or subdivided Otter Shares and Options to Normandy NFM on the basis of the consideration so increased or reduced.
- (d) If Otter makes any issue of securities to any person on or after the date of the Offer other than by way of bonus issue or upon the exercise of any of the Options and the condition contained in paragraph 2.5(b)(iii) above is waived by Normandy NFM, then the Offer will be deemed to extend to and include such securities and the consideration payable for them will be as provided in paragraph 2.2(a) above.

2.9 Governing Law

The Offer and any contract arising from it shall be governed by and construed in accordance with the laws of New Zealand, and, to the extent that the Offer constitutes an issue of securities, it is also to be governed by and construed in accordance with the laws of Australia.

3. PROFILE OF NORMANDY NFM

3.1 Background

Normandy NFM is an Australian public company, the shares in which are fully paid, and listed on the ASX.

Normandy NFM is currently approximately 87% owned by members of the Normandy Mining Limited group of companies. Normandy Mining Limited does not guarantee any of Normandy NFM's securities. Should the takeover result in Normandy NFM acquiring 100% of the Otter Shares on issue, the Normandy Mining Limited group's shareholding in Normandy NFM will dilute to approximately 85%. Normandy Mining Limited is itself the subject of takeover bids by both AngloGold Limited of South Africa and Newmont Mining Corporation of the USA.

Normandy NFM commenced trading in 1969 and its principal activity is exploration for, mining, processing and sale of gold. A description of Normandy NFM's current activities can be found in its 2001 Annual Report which accompanies this Offer document.

3.2 Rights Attaching to Normandy NFM's Shares

The rights attaching to Normandy NFM's Shares are set out in the Constitution of Normandy NFM, the Corporations Act and the ASX Listing Rules. The rights include the following:

(a) Voting

At a general meeting, every shareholder present in person or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each Normandy NFM Share held. In the case of an equality of votes, the Chairman does not have a casting vote. However, Normandy NFM's Constitution provides that voting rights are subject to the ASX Listing Rules, which prohibit certain holders of shares from voting in certain circumstances while shares of Normandy NFM are listed on the ASX.

(b) General Meetings

Each shareholder is entitled to receive notice of and to attend and vote at general meetings of Normandy NFM and to receive all financial statements, notices and other documents required to be sent to members under Normandy NFM's constitution, the Corporations Act or the ASX Listing Rules.

(c) Dividends

Normandy NFM Shares carry the right to the payment of dividends from funds lawfully available for distribution by way of dividend declared by the Board of Directors of Normandy NFM. Subject to any special terms and conditions of issue of shares, such dividends are payable in proportion to the amounts paid or credited as paid on the share during any portion of the period in respect of which the dividend is paid. The Normandy NFM Shares carry the right to participate in any bonus issues (except where and to the extent that the ASX Listing Rules permit bonus shares to be issued other than pro-rata to shareholders).

(d) Transfer

A shareholder may transfer Normandy NFM Shares by a transfer document in any form approved by the ASX or in any other form that the Directors approve. The Directors may decline to register a transfer of shares which are not CHESS approved securities if the ASX Listing Rules provide or require that registration of the transfer may or should be refused.

(e) Issue of Further Shares

Subject to Normandy NFM's Constitution, the Corporations Act and the ASX Listing Rules, the Directors may issue shares or grant options over shares in and other securities of Normandy NFM on such terms and conditions as they think appropriate. Subject to certain exceptions such as pro rata issues to all shareholders and issues as consideration for takeovers, the ASX Listing Rules limit the number of shares Directors can issue to 15% of the issued capital in any 12 month period.

(f) Variation of Rights

The rights, privileges and restrictions attaching to any shares in Normandy NFM can only be altered with the approval of a resolution passed at a separate general meeting of the holders of the class of shares concerned by a three quarters majority of those holders, who being entitled to do so, vote at that meeting in person, or by proxy, attorney or representative, or with the written consent of the holders of at least three quarters of the shares of that class on issue.

(g) Winding Up

In the event of liquidation, Normandy NFM Shares carry the right to payment of capital and surpluses proportional to the amounts paid up (or which at the commencement of the liquidation ought to have been paid up) on each Normandy NFM Share as against the total paid up capital of Normandy NFM. However, if Normandy NFM is wound up, the liquidator may, with the sanction of a special resolution, distribute the assets of Normandy NFM among the shareholders as the liquidator determines in proportion to their entitlements.

3.3 Normandy NFM Shares to be Issued

The Normandy NFM Shares which will be issued in consideration for the Otter Shares:

- (a) will be issued credited as fully paid up;
- (b) will, from their date of allotment, rank *pari passu* with the existing Normandy NFM Shares including as to dividends declared after the date they are issued; and
- (c) will not differ in uniformity with the existing Normandy NFM Shares and will have attached equal voting rights with the existing Normandy NFM Shares, and an application for those new shares to be listed on the ASX will be made.

3.4 Financial Information

Copies Of Normandy NFM's latest Annual Report and Financial Statements, for the year ended 30 June 2001, together with the September 2001 Quarterly Report on Activities accompany this Offer document.

3.5 Effect of Offer on Normandy NFM

The effect of the issue of Normandy NFM Shares in satisfaction of the consideration payable under the Offer can be seen from the consolidated balance sheets set out on the following page which show the status quo position as at 30 June 2001 together with two pro forma scenarios. The first scenario shows a balance sheet again as at 30 June 2001, consolidating Otter, assuming 100% acceptances for Otter Shares and Options and the issue of approximately 1,588,530 Normandy NFM Shares. The second scenario assumes that Normandy NFM only acquires 50.1% of the Otter Shares and 50.1% of the Options and the issue of approximately 796,910 Normandy NFM Shares. It should be noted that as the balance sheets are based on the state of Normandy NFM and Otter as at 30 June 2001, they are only illustrative and may not show the actual position and balances at the date of this Offer document.

	Status Quo NFM 30/06/01 \$A'000	Scenario 1 NFM Plus 100% Otter \$A'000	Scenario 2 NFM Plus 50.1% Otter \$A'000
Current assets			
Cash	54,841	56,333	56,333
Receivables	10,302	12,312	12,312
Inventories	16,029	20,391	20,391
Other	29,839	30,783	30,783
Total current assets	111,011	119,819	119,819
Non-current assets			
Other financial assets	230	230	230
Receivables	-	100	100
Exploration and evaluation	22,340	48,196	48,767
Mining property, plant and equipment	132,635	172,631	173,515
Intangibles	-	-	-
Tax assets	3,459	3,459	3,459
Other	25,978	27,082	27,082
Total non-current assets	184,642	251,698	253,153
Total assets	295,653	371,517	372,972
Current liabilities			
Accounts payable	25,311	32,139	32,139
Interest bearing liabilities	-	28,926	28,926
Provisions	10,498	17,176	17,176
Other	25,223	25,223	25,223
Total current liabilities	61,032	103,464	103,464
Non-current liabilities			
Accounts payable	-	-	-
Interest bearing liabilities	-	64	64
Tax liabilities	40,209	43,567	43,567
Provisions	4,110	20,201	20,201
Other	-	-	-
Total non-current liabilities	44,319	63,832	63,832
Total liabilities	105,351	167,296	167,296
Net assets	190,302	204,221	205,676
Equity			
Contributed equity	63,368	77,287	70,342
Reserves	436	436	436
Retained profits/(accumulated losses)	126,498	126,498	126,498
Equity attributable to members of NFM	190,302	204,221	197,276
Outside equity interests in controlled entities	-	-	8,400
Total equity	190,302	204,221	205,676
Net assets per Share	A\$2.50	A\$2.63	A\$2.67

The proforma consolidated balance sheets of the companies assume:

- (a) That the exchange rate as at 30 June 2001 was 1.2539 New Zealand dollars to each Australian dollar.
- (b) That all fair value and discount on acquisition adjustments are against exploration and evaluation, and mining property plant and equipment interests in the balance sheet. This consolidation adjustment has resulted in exploration and evaluation, and mining property plant and equipment balances being less under Scenario 1 than Scenario 2.
- (c) That following the takeover Otter will become an integrated operation within the Normandy NFM consolidated group and as such its New Zealand dollar balance sheet will be translated into Australian dollars using the temporal method as required under Australian accounting standards.
- (d) That the balance sheets of both Otter and Normandy NFM are the audited balance sheets as at 30 June 2001 and are prepared in accordance with generally accepted accounting principals applicable to New Zealand and Australia, respectively.
- (e) That the value of consideration paid by Normandy NFM for Otter Shares is based on a share price for Normandy NFM of A\$9.30, immediately prior to the offer being announced.

4. ADDITIONAL INFORMATION

4.1 Compulsory Acquisition

If Normandy NFM receives acceptances to the Offer which result in it holding or controlling 90% or more of the Otter Shares, Normandy NFM then has the right to acquire all of the outstanding equity securities, including the remaining Otter Shares and all remaining Options in accordance with the Takeovers Code. In addition, upon Normandy NFM holding or controlling more than 90% of the Otter Shares, all outstanding security holders have the right to sell their equity securities to Normandy NFM in accordance with the Takeovers Code. This means that even if Normandy NFM has received acceptances for less than 90% of the Options, but has received acceptances which result in it holding or controlling 90% or more of the Otter Shares, Normandy NFM can still compulsorily acquire all the outstanding Options or Optionholders can require Normandy NFM to acquire their Options.

4.2 Answers to Important Questions

(a) What sort of investment is this?

Normandy NFM is offering to acquire all of the Otter Shares and Options which it does not already hold on the terms and conditions set out in this Offer document. The consideration being offered for the Otter Shares is 1.9 Normandy NFM Shares for every 100 Otter Shares. When allotted, the new shares will rank equally in all respects with existing Normandy NFM Shares.

(b) Who is involved in providing it for me?

The issuer and promoter of the Offer is Normandy NFM, whose registered office is at 100 Hutt Street, Adelaide, South Australia, Australia.

Normandy NFM commenced trading in 1969 and its principal activity is exploration for, mining, processing and sale of gold. A description of Normandy NFM's current activities can be found in its 2001 Annual Report which accompanies this Offer document.

(c) What will this cost me?

The consideration being offered for your Otter Shares is 1.9 Normandy NFM Shares for every 100 Otter Shares. All of the other terms and conditions (being the terms of exchange) of the Offer are set out in this Offer document. Notwithstanding your acceptance of the Offer it is conceivable that if the minimum control condition (50.1% of Otter Shares) prescribed by New Zealand law is not met or other conditions specified in paragraph 2.5 of this Offer document are not satisfied or waived by Normandy NFM, then no Normandy NFM Shares will be issued to you and the change of ownership of the Otter Shares will not be registered.

Normandy NFM wishes to acquire all of the Otter Shares and Options it does not already hold.

No cash is being offered as consideration for your Otter Shares.

The instructions for accepting the Offer are set out in paragraph 2.3 of this Offer document.

(d) What are the charges?

There are no charges payable by you (other than postage in some cases) for acceptance of the Offer or charges your broker may impose for initiating your acceptance if your holding of Otter Shares is held in a CHESS Holding.

Acceptors subsequently selling any shares they receive in Normandy NFM on the ASX are likely to be liable for brokerage fees.

Normandy NFM has arranged a facility for JBWere Limited to sell Normandy NFM Shares at a discount brokerage rate of 1%. The facility is available to any Acceptor for a period of one month after the end of the Offer Period. Acceptors can avail themselves of this facility by contacting JBWere Limited on 1800 802 650 in Australia and 0800 555 555 in New Zealand.

There will be brokerage of 1% charged on the unmarketable parcel sale facility referred to in paragraph 2.2(c).

(e) What returns will I get?

The returns Acceptors will receive on their investment in Normandy NFM Shares will be any dividends they receive on their Normandy NFM Shares and, when they sell their Normandy NFM Shares, the difference between the value of the Otter Shares that they exchanged for Normandy NFM Shares and the eventual sale price, after taking account of transaction costs. The level of dividends, if any, will be set by Normandy NFM directors having regard to a number of factors such as historical and expected financial performance, capital expenditure requirements and the Board's dividend policy at the time. If and when Normandy NFM declares a dividend, it is legally liable to pay that amount. No particular date is fixed for a dividend payment, if any.

Any returns Acceptors receive when they sell their Normandy NFM Shares will be dependent on a number of complex and interrelated factors, including, but not limited to, Normandy NFM's earnings and cash flows, investors' perception of Normandy NFM's likely future performance and other market factors.

No returns are fixed, promised or guaranteed on the Normandy NFM Shares. There is no guarantee that Acceptors will obtain an increase on the value of the Normandy NFM Shares that they received in exchange for their Otter Shares.

The returns an Acceptor receives (if any) will also be impacted by any taxes or duties that may be payable. Potential Acceptors should seek professional advice in respect of their individual tax circumstances.

(f) What are my risks?

Acceptors should note that an investment in Normandy NFM Shares will carry with it certain risks which are typical of those borne by any company which undertakes mining operations, mine development and exploration activities. In addition, the ownership of shares in a publicly listed company such as Normandy NFM carries with it the risks that share prices may fluctuate.

The principal risks to Acceptors are the inability to recover their investment and/or the inability of Normandy NFM to pay dividends. These risks could occur for a number of reasons, including:

- (i) the price at which Acceptors are able to sell their Normandy NFM Shares is less than the value of the Otter Shares that the investor exchanged;
- (ii) insufficient revenues or higher costs being generated by Normandy NFM resulting in insufficient or no profits from which to declare dividends;
- (iii) the market for the Normandy NFM Shares becomes illiquid or ceases to exist; or

(iv) Normandy NFM is placed in receivership or liquidation / administration.

The principal risks that may affect Normandy NFM's share price performance and ability to pay dividends are set out below:

- (i) general economic conditions may affect business conditions, interest rates and inflation rates. Movements in these factors will have an impact on Normandy NFM's revenues and profits;
- (ii) sharemarket conditions, particularly those affecting mining and exploration companies, may affect Normandy NFM's share price regardless of operating performance;
- (iii) Normandy NFM has interests in gold producing assets. The price of gold is influenced by business conditions particularly physical and investment demand for, and supply of, gold. Fluctuations in the price of gold may impact on Normandy NFM's revenues. Normandy NFM hedges part of those risks in appropriate circumstances;
- (iv) by their very nature, mining, project development and exploration activities involve significant risks and there is no guarantee of success;
- (v) the US\$/A\$ exchange rate may affect sales revenue (to the extent prices are not hedged in Australian dollars) and, to a much lesser extent, operating costs;
- (vi) the impact of actions by governments may affect Normandy NFM's operations, including such matters as land access, compliance with environmental regulations, taxation and royalties.

If any of these risks occur they could adversely affect Normandy NFM's share price and/or ability to pay dividends, in which case it would be reasonably foreseeable that Acceptors could receive less than the value of the Otter Shares that they exchanged for Normandy NFM Shares.

There is currently a market for Normandy NFM Shares by virtue of their listing on the ASX. Whilst Normandy NFM has no reason to believe that a market for Normandy NFM Shares will not continue to exist, there can be no guarantee that there will continue to be a market for Normandy NFM Shares or that Acceptors will be able to sell their Normandy NFM Shares. In particular, potential Acceptors should be aware that Normandy Mining Limited will control between approximately 85% to 87% of the issued capital of Normandy NFM depending on the level of acceptance of the Offer. This large holding affects the liquidity of the market for Normandy NFM Shares. In these circumstances the timing and value of any sale of Normandy NFM Shares may be affected.

If Normandy NFM is unable to generate sufficient free cash flow to support its operations (including payment of interest and principal on Otter's finance obligations to be guaranteed by Normandy NFM in consideration for the Standstill Agreement with Macquarie Bank), to obtain external sources of finance and/or Normandy NFM's shareholders are unwilling to provide additional capital to Normandy NFM when requested and as a result Normandy NFM is unable to meet its financial obligations and those of Otter which it has guaranteed to Macquarie Bank or otherwise breaches any of those financing arrangements, Normandy NFM's directors or creditors could place Normandy NFM in receivership and/or liquidation / administration.

In these circumstances, holders of Normandy NFM Shares would not receive any return of capital until Normandy NFM has paid all its creditors, both secured and unsecured, including the costs of liquidation/ administration or receivership. Depending on the value of Normandy NFM's assets it may not, after paying all its creditors and expenses, have surplus funds to return to holders of Normandy NFM Shares. In these circumstances Acceptors could receive less than the value of Otter Shares that they exchanged for Normandy NFM Shares.

In liquidation / administration all holders of Normandy NFM Shares will rank equally. Holders of Normandy NFM Shares are not liable to anyone for any payment in the event of Normandy NFM's insolvency or otherwise.

The new Normandy NFM Shares being offered will be fully paid at the time of allotment and Acceptors will have no liability to Normandy NFM for any further payments in respect of the new Normandy NFM Shares.

(g) Can the investment be altered?

The rights, privileges and restrictions attaching to any shares in Normandy NFM can only be altered:

- (i) with the approval of special resolution of Normandy NFM in general meeting and a resolution passed at a separate general meeting of the holders of the class of shares concerned by at least 75% of the votes cast by those holders entitled to do so and present and voting in person, by proxy, attorney or representative, or with the written consent of the holders with 75% of the votes of that class; or
- (ii) in certain circumstances by a Court of competent jurisdiction, namely the Supreme Court of South Australia or the Federal Court of Australia.

(h) How do I cash in my investment?

All of the Normandy NFM Shares currently on issue are tradeable on the ASX subject only to compliance with Normandy NFM's constitution, applicable securities laws and regulations, and the existence of an active trading market.

Application will be made for quotation on the ASX of the new Normandy NFM Shares. However, the ASX accepts no responsibility for any statement in this Offer document.

Acceptors may sell their Normandy NFM Shares to any person. In the opinion of Normandy NFM there will be an established market for such sales on the ASX.

Acceptors wishing to sell their Normandy NFM Shares may avail themselves of the discounted brokerage share sale facility referred to at paragraph 4.2(d).

Acceptors who subsequently sell their Normandy NFM Shares through a broker are likely to be liable for brokerage fees.

(i) Who do I contact with enquiries about my investment?

Enquiries should be directed to any stockbroker, or:

The Issuer
Mr Mike Padfield
National Shareholder Services Pty Ltd
100 Hutt Street, Adelaide 5000
South Australia, Australia
ph + 61 8 8303 1700
fax + 61 8 8303 1900

(j) Is there anyone to whom I can complain if I have problems with the investment?

The Issuer
Mr Peter Bird
Investor Relations
Normandy NFM Limited
100 Hutt Street, Adelaide 5000
South Australia, Australia
ph + 61 8 8303 1700
fax + 61 8 8303 1900

There is no ombudsman to whom complaints about the investment can be made, but complaints regarding securities and disclosure documents can be made to ASIC at:

100 Pirie Street
Adelaide, 5000
South Australia, Australia
ph + 61 8 8202 8400
fax + 61 8 8202 8410

(k) What other information can I obtain about this investment?

Further information about Normandy NFM and Normandy NFM Shares is contained elsewhere in this Offer document (in particular in paragraph 3). Normandy NFM's 2001 Annual Report and September 2001 Quarterly Report on Activities are also enclosed with this Offer document.

Normandy NFM sends to all registered holders of Normandy NFM Shares on the relevant record date such reports as are required to be distributed to shareholders in accordance with the Corporations Act and the ASX Listing Rules including half yearly and quarterly reports. As a listed company, it makes announcements when required to the ASX.

Normandy NFM's constitution

Normandy NFM's constitution contains information relating to the rights of Normandy NFM Shares. A brief description is set out in paragraph 3.2 of this Offer document. A copy of the constitution is kept on Normandy NFM's public file and is available for inspection free of charge during normal business hours at Normandy NFM's registered office at 100 Hutt Street, Adelaide, South Australia or a copy may be obtained free of charge on written request to Normandy NFM's registered office at 100 Hutt Street, Adelaide, South Australia.

Further Information available on request

Other than the 2001 Annual Report and September Quarterly Report which accompany this Offer document, copies of Normandy NFM's most recent financial statements, historical quarterly reports and announcements to the ASX may be obtained free of charge on written request to Normandy NFM's registered office at 100 Hutt Street Adelaide 5000, South Australia, Australia.

4.3 Additional Information Required under Schedule 1 to the Takeovers Code

The information contained in paragraph 4.3 has been included to comply with Schedule 1 of the New Zealand Takeovers Code. However, information required under that Schedule, which is contained elsewhere in this Offer document, has not been repeated here.

(a) Directors of Offeror

The directors of Normandy NFM and their occupations are:

<i>Name</i>	<i>Occupation</i>
Bruce D Kay	Geologist
Paul J Dowd	Mining Engineer
David Hillier	Chartered Accountant
John A Innes	Mining Engineer

(b) Target Company

Otter Gold Mines Limited
ARBN 003 082 773

(c) Advice Statement

The advice statement required under the Takeovers Code is set out on the cover page of this Offer document.

(d) Offer Terms

The terms and conditions of the Offer are set out in paragraph 2 on pages 7 to 13 of the Offer document.

(e) Ownership of Equity Securities of Target Company

The persons listed in the table below hold or control equity securities of Otter in the numbers, designations and percentages shown beside their respective identities.

Equity Securities	ORDINARY SHARES		OPTIONS	
	Number	Percentage	Number	Percentage
Normandy NFM	7,798,000	9.35%	Nil	Nil
Related Company ⁽¹⁾	7,798,000	9.35%	Nil	Nil
Associated Persons ⁽²⁾	Nil	Nil	Nil	Nil
Director ⁽³⁾	Nil	Nil	Nil	Nil
Other Substantial Holder ⁽⁴⁾				
Sabatica Pty Limited	27,186,383	32.60%	Nil	Nil
New Zealand Central Securities Depository Limited	4,930,333	5.91%	Nil	Nil
Otter Gold Trustee Coy Limited	4,621,715	5.54%	Nil	Nil
Fuse Limited	Nil	Nil	4,529,600	16.61%
National Nominees Limited	Nil	Nil	3,338,700	12.24%
ANZ Nominees Limited	Nil	Nil	2,401,004	8.80%

Related Company ⁽¹⁾	Related Companies of Normandy NFM, being Normandy Mining Limited and its wholly owned subsidiary Normandy NGL Holdings Pty Limited, who together hold 87.28% of Normandy NFM. These companies do not themselves hold any Otter Shares
Associated Persons ⁽²⁾	Persons acting jointly or in concert with Normandy NFM
Director ⁽³⁾	Director of Normandy NFM, any Related Company of Normandy NFM, or persons acting jointly or in concert with Normandy NFM
Other Substantial Holder ⁽⁴⁾	Other Person holding or controlling 5% or more of the class of equity securities within the knowledge of Normandy NFM

In summary, other than as set out above, none of the following hold or control any Otter Shares:

- (i) any related company of Normandy NFM;
- (ii) any person acting jointly or in concert with Normandy NFM; or
- (iii) any director of any of the persons described in (i) and (ii) above.

The information in this table relating to other substantial holders of Otter Shares and Options is obtained from publicly available information.

(f) Trading in Target Company Equity Securities

The persons listed in the table below have, during the 6 month period before the date of the Offer, acquired or disposed of equity securities of Otter in the numbers and designations, and for the consideration and on the dates, shown below.

Equity Securities	ORDINARY SHARES			OPTIONS
	Number	Consideration	Date of Transaction	
Normandy NFM	7,798,000	148,162 Normandy		
Related Company ⁽¹⁾	(acquired)	NFM shares	16.10.01	Nil
Associated Persons ⁽²⁾	Nil	Nil	Nil	Nil
Director ⁽³⁾	Nil	Nil	Nil	Nil
Other Substantial Holder ⁽⁴⁾				
Sabatica Pty Limited	7,798,000	148,162 Normandy		
	(disposed)	NFM Shares	16.10.01	Nil

Related Company ⁽¹⁾	Related Company of Normandy NFM
Associated Persons ⁽²⁾	Persons acting jointly or in concert with Normandy NFM
Director ⁽³⁾	Director of Normandy NFM, any Related Company of Normandy NFM, or persons acting jointly or in concert with Normandy NFM
Other Substantial Holder ⁽⁴⁾	Other Person holding or controlling 5% or more of the class of equity securities within the knowledge of Normandy NFM

The information in this table relating to the trading by other substantial holders of Otter Shares or Options is obtained from publicly available information.

(g) Agreements to Accept Offer

No persons have agreed conditionally or unconditionally to accept the Offer. However, Otter's principal shareholder, Guinness Peat Group subsidiary Sabatica Pty Limited has been reported in the press as stating that it will probably accept the Offer in the absence of a higher bid.

(h) Arrangements to Pay Consideration

Normandy NFM is a company with substantial assets which is listed on the ASX. As such, Normandy NFM confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of the Offer and to pay any debts incurred in connection with the Offer (including debts arising under rule 49 of the Takeovers Code). A statement setting out the rights of each Shareholder or Optionholder to withdraw its acceptance for non-payment by Normandy NFM of the consideration, is set out in paragraph 2.2(f) of this Offer document.

(i) Arrangements Between Offeror and Target Company

Normandy NFM intends to enter into a Deed of Indemnity with Otter, conditional upon a number of factors, including that the Standstill Agreement and the Guarantee Deed come into force. The Standstill Agreement and Guarantee Deed will come into force if, among other things, Normandy NFM acquires at least 50.1% of the Shares.

Under the terms of the Standstill Agreement, Macquarie Bank Limited (Otter's principal bankers) has agreed to:

- (i) waive certain change of control provisions in Otter's material debt facilities; and
- (ii) suspend or alter certain obligations of Otter and its subsidiary companies pursuant to Otter's material debt facilities and certain hedging arrangements for a period of 12 months.

The Standstill Agreement also requires Otter to restructure its hedging arrangements with Macquarie Bank Limited and other parties. It is a condition of the Standstill Agreement that Normandy NFM enters into the Guarantee Deed.

Under the terms of the Guarantee Deed, Normandy NFM would guarantee (on normal commercial terms) Otter's liabilities to Macquarie Bank Limited (Otter's principal bankers) in respect of Otter's material debt facilities and certain hedging facilities.

Under the terms of the Deed of Indemnity, Otter would be agreeing to:

- (i) indemnify Normandy NFM against any loss suffered pursuant to the Guarantee Deed; and
- (ii) pay to Normandy a fee for guaranteeing Otter's obligations pursuant to the Guarantee Deed. The fee is calculated on normal commercial terms as a proportion of Otter's outstanding debt and mark to market hedging liabilities.

The entry by Normandy NFM and Otter into the Deed of Indemnity is therefore proposed to be made in connection with the Offer.

No other agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Normandy NFM or any associates of Normandy NFM, and Otter or any related company of Otter, in connection with, in anticipation of, or in response to, the Offer.

On 9 November 2001, the Market Surveillance Panel of the NZSE granted Otter a waiver from the application of NZSE Listing Rules 7.6.4 and 9.2.1 in relation to the Standstill Agreement and the Deed of Indemnity thereby relieving Otter of the need to obtain shareholder approval to enter into such arrangements.

(j) Financial Assistance

Under the terms of the Deed of Indemnity referred to in paragraph (i) above, in consideration of Normandy NFM executing the Guarantee Deed, Otter agrees to pay a fee to Normandy NFM. As a result of the Offer, the performance of the Deed may therefore constitute the giving of financial assistance by Otter to Normandy NFM.

Otter is required to send its Shareholders a disclosure statement under section 78(5) of the Companies Act 1993 (NZ) containing details of the financial assistance described in this paragraph.

No other agreement or arrangement has been made, or is proposed to be made, under which Otter or any related company of Otter will give (directly or indirectly) financial assistance for the purpose of, or in connection with, the Offer.

(k) Arrangements Between Offeror, and Directors and Officers of Target Company

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Normandy NFM or any associates of Normandy NFM, and any of the directors or senior officers of Otter or of any related company of Otter (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, the Offer.

(l) Acquisitions of Securities

Because the Offer is not a full offer for cash or with a cash alternative, neither Normandy NFM, any related company of Normandy NFM, any person acting jointly or in concert with Normandy NFM, nor any of the directors of any of them is permitted to acquire any securities in Otter during the Offer Period.

(m) Likelihood of Changes in Target Company

Subject to the matters detailed below, regardless of the level of acceptances of the Offer, it is Normandy NFM's present intention:

- (i) for the business carried on by Otter to be continued; and
- (ii) for no major changes to be made to the business carried on by Otter and for no redeployment of any of the operating assets of Otter.

Directors

If, as a result of the Offer, Otter becomes a wholly owned subsidiary of Normandy NFM, it is Normandy NFM's present intention to seek to have the Otter Board of Directors comprised of Normandy NFM executives only.

If the Offer is successful but Otter does not become a wholly owned subsidiary of Normandy NFM then, consistent with the practice of the Normandy Mining Group of companies it is the present intention to have the Otter Board comprise at least one independent director.

Employees

If Otter becomes a wholly owned subsidiary of Normandy NFM, there is no present assessment as to whether staff reductions will affect Otter employees. There will be an integration of functions currently undertaken by both Normandy NFM and Otter employees and reductions could be made in either current Otter or Normandy NFM employees. It is proposed that a thorough review of the qualifications, experience, functions, responsibilities and performance of all of Otter's employees be undertaken to determine whether they are suitably engaged and effectively performing and whether any efficiency gains may be made. It is possible that, based on this review, some employees' employment may be terminated, others offered different positions or responsibilities and others promoted or given greater responsibilities. It is anticipated that any staff reductions would be principally in the finance, administration, services and corporate areas and are not expected to be significant. Administrative staff reductions in the exploration area attributable to merging with Normandy NFM are also unlikely to be significant.

Reductions in staff will, where possible, be through natural attrition. Such staff reductions will be effected in accordance with applicable Australian and New Zealand employment law requirements.

Other than exploration staff, Tanami based staff of Otter have already been made redundant by Otter or employed by Normandy NFM as a result of Normandy NFM agreeing to lease the Tanami plant.

Operations

If Otter does not become a wholly owned subsidiary of Normandy NFM, then Normandy NFM does not at this time propose to make any changes to the operations of Otter. It is noted that Otter's mining operations in the Tanami region ceased in June 2001 and the processing of ore at the Tanami plant ceased on 5 October 2001. Redundancies occurred at that time.

Should Otter become a wholly owned subsidiary of Normandy NFM, then Normandy NFM intends that there will be an integrated approach to exploration in the Tanami region and such exploration will be considered in the light of the overall exploration priorities. The additional 20,000 square kilometres of tenements and tenement applications contributed by Otter would be considered together with the significant tenement holdings of Normandy NFM and Normandy Mining Limited Group companies. Prioritisation as between exploration targets will be determined and reviewed regularly and will take account of factors such as proximity to ongoing or established programs, commercial opportunities and operating conditions. In addition, in view of the significant exploration tenement holdings resulting from a successful offer for Otter, the combined Normandy Mining Limited Group, Normandy NFM and Otter holdings in the Northern Territory would exceed the maximum holding permitted under Northern Territory legislation. As a result, all of the exploration acreage would be reviewed to decide what acreage would be rationalised in conjunction with consultations with the Northern Territory regulatory authorities to maximise the amount and prospectivity of ground maintained.

In relation to the Tanami mill and plant, the lease to Normandy NFM from Otter and AngloGold Limited of the Tanami plant for the purposes of processing its Groundrush Discovery ore, would continue.

If Otter became a wholly owned subsidiary of Normandy NFM, then it is the present intention of Normandy NFM that Otter's 33% ownership of the Martha Mine in New Zealand and 50% (reducing through sole funding earn-in by Normandy Mining Limited Group companies to 33%) interest in the neighbouring Union Hill Joint Venture would be held by Normandy NFM at least until their full potential is better determined. This will include evaluating the exploration potential on the high grade Favona Vein adjacent to the Martha Mine Treatment plant. It is possible that underground development of this vein could increase total annual gold production to up to 200,000 ounces per year at low cash costs. Details of the Favona Vein discovery are contained in Otter's Activities Report for the September 2001 quarter. Normandy NFM wishes to explore the full potential of this discovery before making further decisions in relation to the holding in the Martha Mine. If, consistent with Normandy NFM's Tanami focus, it was decided to dispose of the holding in the Martha Mine, Normandy Mining Limited subsidiaries would have pre-emptive rights.

Stock Exchange Listing

If the Offer is successful so that Otter becomes a wholly owned subsidiary of Normandy NFM, then the Listing Rules of the ASX and NZSE are such that the shares of Otter will cease to be quoted. If the offer for Otter becomes unconditional but despite that Otter does not become a wholly owned subsidiary of Normandy NFM, it is Normandy's intention to maintain the ASX and NZSE listing of Otter unless the spread of shareholders falls below the requirements of the Listing Rules of the respective exchanges in which case the listing would not be maintained.

It is Normandy NFM's intention to compulsorily acquire the shares and options of Otter Shareholders and Optionholders who do not accept the Offer provided compulsory acquisition thresholds are achieved.

Normandy NFM does not intend to seek listing of its securities on the NZSE.

(n) Pre-emption Clauses in Target Company's Constitution

There is no restriction on the right to transfer equity securities to which the Offer relates contained in the constitution of Otter which has the effect of requiring the holders of the securities to offer the securities for purchase to members of Otter or to any other person before transferring the securities.

(o) No Escalation Clause

There is no agreement or arrangement (whether legally enforceable or not) under which any existing holder of equity securities in Otter will or may receive in relation to, or as a consequence of, the Offer any additional consideration or other benefit over and above the consideration set out in the Offer, or any prior holder of equity securities in Otter will or may receive any consideration or other benefit as a consequence of the Offer.

(p) Independent Adviser's Report

An independent adviser's report is required under rule 22 of the Takeovers Code (which requires an independent adviser to report on fairness between different classes of securities, whether voting or non-voting) because Otter has non-voting share options on issue at the date of the Offer, as well as ordinary voting shares. This report was written by John Mandeno of Grant Samuel & Associates Limited, and, as required by rule 22(2) of the Takeovers Code, the report concludes that the consideration and terms offered for each class of securities are fair and reasonable as between the classes of securities. A full copy of the report is attached to this Offer document as the Appendix.

(q) Additional Disclosures Required if Consideration Includes Securities

The consideration for the Otter Shares under the Offer comprises Normandy NFM Shares. The Securities Act 1978 (NZ) requires Normandy NFM to register a prospectus and investment statement in relation to the securities offered as consideration under the Offer. However, the Securities Act (Australian Issuers) Exemption Notice 1997 (NZ) provides (in general terms) that, so long as the offer of securities in New Zealand by an Australian issuer is accompanied by an Australian Prospectus (as defined in that notice), no prospectus needs to be prepared under the Securities Act 1978 (NZ). Because this whole Offer document comprises an Australian Prospectus within the definition contained in the Securities Act (Australian Issuers) Exemption Notice 1997 (NZ), no further prospectus has been prepared under the Securities Act 1978 (NZ).

This Offer document also constitutes an Investment Statement in compliance with the Securities Act 1978 (NZ), the Securities Regulations 1983 (NZ), and the Securities Act (Takeovers) Exemption Notice 2001 (NZ).

The following information is required by the Securities Act (Australian Issuers) Exemption Notice 1997 (NZ):

- (i) Allotments of the Normandy NFM Shares will be made in the manner specified in this Offer document and in the manner prescribed under the Corporations Act;
- (ii) Otter Shareholders should satisfy themselves as to the tax implications of investing in the Normandy NFM Shares;
- (iii) Investing in the shares of an Australian issuer may carry with it a currency exchange risk;
- (iv) The financial reporting requirements applying in New Zealand and those applying to Normandy NFM may be different and the financial statements of Normandy NFM may not be compatible in all respects with financial statements prepared in accordance with New Zealand law;
- (v) Normandy NFM may not be subject in all respects to New Zealand law;
- (vi) The contract in respect of the equity securities may not be enforceable in the New Zealand courts.
- (vii) The Australian prospectus (being the whole of this Offer document) has not been registered in New Zealand under New Zealand law as a prospectus and may not contain all the information that a New Zealand registered prospectus is required to contain;
- (viii) Pursuant to section 259C of the Corporations Act, ASIC has granted Normandy NFM an exemption from the operation of section 259C. The effect of the exemption is to permit Normandy NFM to issue Normandy NFM Shares to Otter Gold Trustee Coy Limited, the trustee of the Otter Gold Mines Employee Share Plan, if it accepts the Offer in respect of the Otter Shares it holds. A free copy of the exemption can be obtained by writing to Normandy NFM at its registered office, 100 Hutt Street, Adelaide, South Australia 5000; and
- (ix) It is not a condition of the Securities Act (Australian Issuers) Exemption Notice 1997 (NZ) that Normandy NFM be listed on the NZSE. As Normandy NFM is not listed on the NZSE, New Zealand resident investors may not have access to information concerning Normandy NFM in the same way as investors have in relation to an issuer listed on the NZSE.

4.4 Tax Considerations

The following is intended to provide a general overview of the Australian and New Zealand taxation implications for holders of Otter Shares and Options in disposing of their Otter Shares and Options. This summary is not intended to be comprehensive and is based upon Normandy NFM's interpretation of income tax legislation currently in force as at the date of this document.

Shareholders and Optionholders should not rely on these comments as advice in relation to their own affairs. The taxation laws are complex and there could be implications in addition to those described below. It is recommended that Shareholders and Optionholders consult their own tax advisers for advice applicable to their individual needs and circumstances. Neither Normandy NFM nor its advisers accept any responsibility for tax implications for any Shareholders or Optionholders.

(a) New Zealand tax implications

(i) Disposal of Otter Shares and Options held as a capital investment

Shareholders and/or Optionholders holding Otter Shares and/or Options as a capital investment will have no New Zealand tax liability on the disposal of their Otter Shares and/or Options.

(ii) Disposal of Otter Shares and Options held as revenue assets

A Shareholder and/or Optionholder (wherever resident) may be subject to New Zealand income tax on any profit arising on disposal of Otter Shares and/or Options where:

- the Shareholder/Optionholder is in the business of dealing in shares/options; or
- the Otter Shares/Options were acquired for the purpose of sale or other disposal; or
- the Otter Shares/Options were part of an undertaking or scheme carried on or carried out that was entered into or devised for the purpose of making a profit.

A non-New Zealand resident Shareholder and/or Optionholder may be able to claim relief from New Zealand income tax on any such profit under a Double Tax Treaty if the profits are not from carrying on a business in New Zealand through a permanent establishment situated in New Zealand.

(iii) Dividends on Normandy NFM Shares

Corporate Shareholders

Dividends on Normandy NFM Shares received by a New Zealand resident corporate shareholder are prima facie subject to a withholding payment of 33%.

Any New Zealand withholding payment liability can also be reduced by the amount of any Australian withholding tax deducted from the dividend paid on Normandy NFM Shares, whatever the extent of the New Zealand resident corporate shareholder's interest in Normandy NFM.

Non-corporate Shareholders

A New Zealand resident non-corporate taxpayer receiving a dividend on Normandy NFM Shares will be subject to New Zealand tax.

Franked Dividends

Any Australian franking credits attached to a dividend on Normandy NFM Shares will not reduce New Zealand tax.

Partly Franked or Unfranked Dividends

To the extent that a dividend on Normandy NFM Shares is not franked, Normandy NFM will deduct Australian non-resident withholding tax ("NRWT"). A New Zealand resident non-corporate taxpayer can claim a credit for Australian NRWT against the New Zealand tax liability on the dividend.

(b) Australian tax implications

(i) Disposal of Otter Shares held as a capital investment

A disposal of Otter Shares (called a CGT Event) may trigger a taxable capital gain or capital loss for Australian resident shareholders. In certain circumstances, an Otter Shareholder may elect rollover relief to defer a taxable capital gain. This is discussed below.

A taxable capital gain will only arise for those Australian resident shareholders who acquired or are deemed to have acquired their shares after 19 September 1985. A taxable capital gain arises if there is an excess of the proceeds on disposal over the cost base of the Otter Shares. The proceeds on disposal will be deemed to be the market value of the Normandy NFM Shares received in exchange for the Otter Shares.

Capital gains are generally included in assessable income and taxed at the taxpayer's marginal tax rate. However, there are concessions which apply to individuals and superannuation funds in certain circumstances.

If post 19 September 1985 Otter Shares were acquired before 21 September 1999, an individual or superannuation fund can choose to include in his, her or its taxable capital gain:

- 100% of the net capital gain, calculated as the difference between the proceeds on disposal and the cost base indexed for inflation until 30 September 1999; or
- in the case of an individual, 50% of the capital gain without any indexation of the cost base; or
- in the case of a superannuation fund, two-thirds of the capital gain without any indexation of the cost base.

If an individual makes a capital gain from the disposal of Otter Shares acquired after 21 September 1999, and which have been held for 12 months before disposal, the individual will be taxed on 50% of the gain with no indexation applying to the cost base. Similarly, if a superannuation fund meets the same criteria it will be taxed on two-thirds of the gain with no indexation applying to the cost base.

A capital loss will arise if the proceeds on disposal are less than the cost base of the Otter Shares. In calculating a capital loss, the cost base is not indexed for inflation, irrespective of how long the Otter Shares have been held. A capital loss may be offset only against capital gains arising in the same or subsequent years of income.

The disposal of Otter Shares would not have any Australian capital gains tax consequences for non-Australian resident Shareholders.

(ii) Rollover relief

If Normandy NFM becomes the holder of 80% or more of the Otter Shares as a result of the takeover bid, Shareholders who would make an Australian taxable capital gain from their disposal of Otter Shares may elect a tax rollover under which the capital gain would be disregarded. If they subsequently dispose of the Normandy NFM Shares acquired in exchange for their Otter Shares in circumstances where no rollover is available, they will be subject to capital gains tax on the basis that the cost base of their Normandy NFM Shares is equal to the cost base they had in the Otter Shares they gave in exchange.

(iii) Disposal of Otter Shares held as revenue assets

In certain circumstances, for example, where the Shareholder is in the business of trading in shares or where the Otter Shares were acquired with a dominant purpose of profit-making by sale, Australian resident shareholders may be subject to the general income tax provisions (rather than the capital gains tax provisions) of the tax legislation in respect of profits or losses arising on disposal of their Otter Shares. No rollover (as discussed below) is available in these circumstances.

In calculating a gain or loss in these circumstances, the consideration will be the market value of the Normandy NFM Shares received under the takeover bid. A taxable gain will arise if the consideration received by Shareholders exceeds the cost of Otter Shares. A loss will arise where the consideration received is less than the cost of the Otter Shares. Such a loss can be offset against income or capital gains.

Non-Australian resident Shareholders would not be subject to the general income tax provisions unless, in the case of a resident of a country with which Australia has a Double Tax Agreement, they hold the shares through a permanent establishment in Australia or, in the case of residents of other countries, a profit on disposal of their Otter Shares has a source in Australia.

(iv) Any subsequent disposal of Normandy NFM Shares

Australian resident Shareholders who become holders of Normandy NFM Shares would be subject to the capital gains tax provisions, or the general income tax provisions if they hold the Normandy NFM Shares as revenue assets, on any subsequent disposal of their Normandy NFM Shares. For Shareholders who elected rollover relief, their cost base in Normandy NFM Shares is limited to the cost base that they had in the Otter Shares they gave up in exchange for their Normandy NFM Shares. For other Shareholders, the cost base equals the market value of the Otter Shares they gave up.

A non-Australian resident Shareholder would only be subject to Australian capital gains tax on any disposal of Normandy NFM Shares where the Shareholder and its associates (within the meaning of the Income Tax Assessment Act 1936) own (or owned at any time in the previous five years) at least 10%, by value, of the shares of Normandy NFM. A non-Australian resident Shareholder may be subject to the general income tax provisions if they hold the Normandy NFM Shares as revenue assets but only if that Shareholder carries on business through a permanent establishment in Australia if that Shareholder is resident in a country with which Australia has a Double Tax Treaty or if the profit on sale of the Normandy NFM Shares has a source in Australia if the Shareholder is a resident of a non-treaty country.

For non-Australian resident Shareholders who are subject to Australian capital gains tax, the cost base of their Normandy NFM Shares would be based on the market value of the Otter Shares at the time they were exchanged for Normandy NFM Shares.

(v) Disposal of Options

The disposal of Options may trigger a taxable capital gain or capital loss for Australian resident Optionholders. A taxable capital gain arises if there is an excess of the cash proceeds from the disposal of the Options over their cost base. A capital loss arises if the cash proceeds are less than the cost base. (See the fourth and fifth paragraphs of paragraph 4.4(b)(i) above for concessions which apply to individuals and superannuation funds in certain circumstances.)

The disposal of Options would not have any Australian capital gains tax consequences for non-Australian resident Optionholders.

In certain circumstances, for example, where an Australian resident Optionholder is in the business of trading in options or where Options were acquired with the dominant purpose of profit making by sale, Australian resident Optionholders may be subject to general income tax provisions (rather than the capital gains tax provisions) of the tax legislation in respect of profits or losses arising on the disposal of their Options. A taxable gain will arise if the cash proceeds received by the Optionholders exceeds the cost of their Options. A loss will arise where the cash proceeds received is less than the cost of the Options. Such a loss can be offset against ordinary income or capital gains.

Non-Australian resident Optionholders would not be subject to the general income tax provisions unless, in the case of a resident of a country with which Australia has a Double Tax Agreement, they hold the options through a permanent establishment in Australia or, in the case of residents of other countries, a profit on disposal of their Options has a source in Australia.

4.5 Directors' Disclosures

(a) Interests of Directors

- (i) No Director of Normandy NFM nor any firm in which a Director is a partner has any interest in the promotion of or in any property proposed to be acquired by Normandy NFM as a result of the Offer.
- (ii) No other payment has been made or agreed to be made to any Director or to any firm of which a Director is a partner to induce him or her to become, or to qualify as, a Director or otherwise for services rendered by him or her or any firm of which the Director is a partner in connection with the promotion or formation of Normandy NFM or the Offer.

(b) Directors' remuneration

- (i) Normandy NFM's Constitution provides that the non-executive Directors of Normandy NFM are entitled to remuneration as determined by Normandy NFM in general meeting. At a general meeting of Normandy NFM held on 5 February 1988, Normandy NFM determined that the aggregate remuneration of the non-executive Directors will be no more than A\$100,000 to be apportioned among the non-executive Directors in such manner as they determine. Mr John Innes received director's fees of A\$ 5,000 during the period 1 July 2001 to the date of the Offer. The other directors are executives of Normandy Mining Limited the parent company of Normandy NFM and accordingly receive no fees from Normandy NFM.
- (ii) Non-executive Directors are also entitled to be paid all travelling and other expenses properly incurred by them in consequence of their attendance at meetings of the Directors and otherwise in the execution of their duties as Directors.

(c) Directors' Share and Option holdings

- (i) At the date of the Offer each director of Normandy NFM (or companies nominated by the director) is entitled to the shares and options in Normandy NFM set out opposite his name in the table below:

Director	Number of Shares	Number of Options
Bruce D Kay	Nil	Nil
Paul J Dowd	Nil	Nil
David Hillier	Nil	Nil
J A Innes	5000	Nil

- (ii) None of the directors have any interest in Otter Shares or other securities in Otter.

4.6 Disclosing Entity Information

- (a) Normandy NFM is a disclosing entity for the purposes of the Corporations Act and as such an entity, is subject to regular reporting and disclosure obligations. Copies of documents lodged in relation to Normandy NFM at ASIC may be obtained from or inspected at an office of ASIC.
- (b) As a disclosing entity for the purposes of the Corporations Act and because its shares are listed on ASX, Normandy NFM is subject to the continuous disclosure requirements imposed by the ASX Listing Rules and supported by the Corporations Act. In accordance with these continuous disclosure requirements, Normandy NFM must furnish information of various kinds to ASX so that an informed market in Normandy NFM's shares can be maintained. This information includes:
 - financial statements (annual and half yearly); and
 - quarterly reports of activities.
 - Other disclosure requirements apply including the obligation to notify the ASX immediately of any information concerning Normandy NFM of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Normandy NFM securities (this requirement does not apply if the information is confidential, a reasonable person would not expect it to be disclosed and one of several other conditions of exemption apply).

- (c) Normandy NFM will provide a copy of the following documents, free of charge, to any person who asks for them during the Offer period:

- the Constitution of Normandy NFM;
- the consents referred to in section 4.7;
- all documents used to satisfy ASX of information requirements relating to Normandy NFM under the provisions of the ASX Listing Rules in the period starting after lodgment with ASIC of the annual financial report of Normandy NFM for the period ending 30 June 2001, to the date of the Offer, being the following:

Date Released	Description of Document
11/09/2001	Notice of Annual Meeting, 2001 Annual Report
11/10/2001	Chairman's Address for 2001 AGM
11/10/2001	Results of Meeting
11/10/2001	Amended Results of Meeting
11/10/2001	First Quarter Activities Report
11/10/2001	Intention to make a Takeover Offer for Otter
12/10/2001	Substantial Security Holder Notice for Otter lodged with NZSE on 15/11/01
22/11/2001	Revised Substantial Security Holder Notice for Otter Lodged with NZSE on 16/11/01

- (d) There is no other information relating to Normandy NFM that has not, because of its confidential and prejudicial nature, been notified to the ASX which investors and their professional advisers would reasonably require and reasonably expect to find in this document for the purpose of making an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of Normandy NFM and the rights and liabilities attaching to Normandy NFM Shares being offered.

4.7 Experts and Advisers

(a) Interests of Experts and Advisers

- (i) Except for the fees and amounts paid or agreed to be paid and the interests set out below, no expert or firm in which any expert is a partner has any interests or has been or agreed to be paid any amount which must be disclosed under section 711 of the Corporations Act. No form of payment of any kind will be made or agreed to be made to any such expert, adviser or firm other than in cash.
- (ii) Grant Samuel and Associates Limited has prepared an Independent Adviser's Report which is included in this Offer document as the Appendix as required by rule 22 of the Takeovers Code. Normandy NFM has agreed to pay Grant Samuel and Associates Limited a fee of NZ\$9,000 for this work.
- (iii) Chapman Tripp Sheffield Young (NZ) have acted as New Zealand legal advisers to Normandy NFM in relation to the Offer (other than in relation to Australian law or taxation). Normandy NFM has paid or agreed to pay Chapman Tripp Sheffield Young approximately NZ\$85,000 for those services to the date of the Offer. Subsequently, fees will be charged in accordance with normal charge-out rates.
- (iv) Kelly & Co (Australia) have acted as Australian legal advisers to Normandy NFM in relation to the Offer and have been involved in due diligence enquiries in relation to legal matters (other than New Zealand law and taxation). Normandy NFM has paid or agreed to pay Kelly & Co approximately A\$90,000 for those services to the date of the Offer. Subsequently, fees will be charged in accordance with normal charge-out rates.

(b) Consents and Disclaimers of Responsibility

(i) Consents to be named

Chapman Tripp Sheffield Young and Kelly & Co as solicitors to Normandy NFM, and National Shareholder Services Pty Ltd as the Registry for Normandy NFM and J B Were Limited as Share Sale Facilities Broker have given and have not, before the lodgement of this document, withdrawn their written consent to be named in this Offer document in the form and context in which they are named.

Grant Samuel and Associates Limited has given and has not before lodgment of this Offer document, withdrawn its written consent to being named in this Offer document as Independent Adviser in the form and context in which it is named and to the inclusion of its Independent Adviser's Report in this Offer document in the form and context in which it appears and references to that report in this Offer document.

(ii) Disclaimers of responsibility:

None of Chapman Tripp Sheffield Young, Kelly & Co, National Shareholder Services Pty Ltd or J B Were Limited:

- has authorised or caused the issue of this Offer document; or
- has made, or purported to make, any statement in this Offer document; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Offer document other than a reference to its name.

Grant Samuel and Associates Limited has only been involved in the preparation of that part of this Offer document that consists of the Independent Adviser's Report in the Appendix. Accordingly, Grant Samuel and Associates Limited:

- has not authorised or caused the issue of this Offer document other than the Independent Adviser's Report; or
- has not made, or purported to make, any statement in this Offer document other than the Independent Adviser's Report; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Offer document other than a reference to its name and the Independent Adviser's Report.

4.8 Expenses of the Offer

The total expenses of the Offer all of which have been or will be paid by Normandy NFM are estimated to total approximately A\$270,000.

5. GLOSSARY & INTERPRETATION

The following terms have the following meanings in this Offer document unless the context requires otherwise:

Term	Meaning
Acceptor	A Shareholder who accepts the Offer and who is issued Normandy NFM Shares in consideration for their acceptance
ASIC	Australian Securities and Investments Commission
ASX	Australian Stock Exchange Limited (ABN 98 008 624 691)
A\$	Australian Dollars
CHESS	Clearing House Electronic Subregister System, which provides for the electronic transfer of ASX listed securities in Australia
CHESS Holding	A holding of Otter Shares or Options on Otter's CHESS subregister
Closing Date	29 January 2002 or as extended in accordance with the Takeovers Code
Corporations Act	The Corporations Act 2001 of the Commonwealth of Australia
FIN	FASTER Identification Number (used in relation to Shares and Options listed on the NZSE)
Foreign Shareholder	A Shareholder with a registered or registrable address outside of Australia and its external territories and New Zealand
Foreign Optionholder	A holder of Options with a registered or registrable address outside of Australia and its external territories and New Zealand
HIN	Holder Identification Number (used in relation to CHESS Holdings)
Issuer Sponsored Holding	A holding of Otter Shares or Options on Otter's issuer sponsored Australian subregister
Normandy NFM	Normandy NFM Limited (ABN 39 007 688 063)
Normandy NFM Shares	Fully paid ordinary shares in the capital of Normandy NFM and all rights attaching to them
NZ\$	New Zealand Dollars
NZSE	New Zealand Stock Exchange
Offer	The takeover offer for all the Otter Shares and the Options as set out in this Offer document
Offeror	Normandy NFM
Optionholder	A holder of Options
Options	Options to acquire Otter Shares which are listed on the NZSE and the ASX

Term	Meaning
Otter	Otter Gold Mines Limited (ARBN 003 082 773)
Otter Shares	Fully paid ordinary shares in the capital of Otter and all Rights attaching to them
Offer Period	The period beginning on the date of the Offer and ending on the Closing Date
Rights	All accretions and rights attaching to or arising from the Otter Shares after the date of this document (including, without limitation, all rights to receive dividends and to receive or subscribe for shares, stock units, notes, options or other securities and all other distributions or entitlements declared, paid or issued by Otter)
SCH Business Rules	The rules of the securities clearing house that administers CHES
Shareholder	A holder of Otter Shares
SRN	Securityholder Reference Number (used in relation to Issuer Sponsored Holdings)
Takeovers Code	The takeovers code recorded in the New Zealand Takeovers Code Approval Order 2000 (SR 2000/210)
Takeovers Panel	The takeovers panel established by the New Zealand Takeovers Act 1993
Target Company	Otter

- For the purposes of this Offer document a NZ\$/A\$ exchange rate of \$1.208 has been assumed.
- Unless otherwise specified, all references to currency are to NZ dollars.
- The singular includes the plural and vice versa, and words importing one gender include the other gender.
- A reference to an enactment or any regulations is a reference to that enactment or those regulations as amended, or to any enactment or regulations substituted for that enactment or those regulations.

AUTHORISATION BY DIRECTORS

All the Directors have authorised the issue of this document and have consented to the lodgement of it with ASIC.

CERTIFICATE

To the best of our knowledge and belief after making proper inquiry, the information contained in this Offer document (not including the Appendix) is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by Normandy NFM under the Takeovers Code.

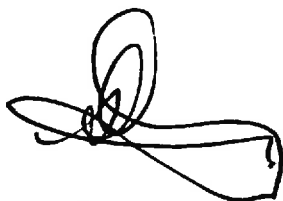
Signed by the persons named below or their respective agents authorised in writing.



Paul Dowd
Group Executive Operations
Normandy NFM Limited



Ken Williams
Group Executive Finance
Normandy NFM Limited



Bruce Kay
for and on behalf of the board of directors
of Normandy NFM Limited



John Innes
for and on behalf of the board of directors
of Normandy NFM Limited