

ASX Announcement

14 May 2010

Replacement Non-Renounceable Rights Issue More Favourable Pricing and Entitlement

The Board of D'Aguilar Gold Limited (D'Aguilar) hereby notifies shareholders of the early termination of its current Non-Renounceable Rights Issue (Current Rights Issue). **All shareholders who have participated in the Current Rights Issue to date will have their application monies refunded in full.**

The Board has decided to undertake a new Non-Renounceable Rights Issue (New Rights Issue), the materials for which will be released to the market on Tuesday 18th May 2010, including details of the full timetable and the **new record date**. All eligible shareholders will receive their personalised materials for the New Rights Issue in the mail in early June 2010.

The Issue Price of the New Rights Issue will be 3.5 cents per share, and shareholders will now be offered 1 new share for every 8 shares currently held in D'Aguilar. This will raise \$1.225 million for D'Aguilar to provide working capital, and to facilitate the further corporate development of D'Aguilar Group project subsidiaries.

The reasons for terminating the Current Rights Issue and undertaking the New Rights Issue include:

- (i) the price of D'Aguilar's shares falling below the previously advised issue price of 4.8 cents; and
- (ii) the requirement to raise in excess of \$1 million on the most equitable basis for existing shareholders.

The recent decline in D'Aguilar's share price is believed to be the result of recent softening in the junior resources market generally, increasing interest rates, perceived European financial instability and the uncertainty created by the Federal Government's recent announcement regarding the proposed introduction of a "super profits tax" on mining and resources companies.

Notwithstanding these issues, your Directors remain optimistic about the future for D'Aguilar and its subsidiaries, particularly in light of the following developments:

- (i) Mt Isa Metals (ASX:MET) has recently aggregated a large tenement position covering more historic and local gold exploration activities than all of the other ASX listed companies in Burkina Faso put together. D'Aguilar holds 50 million shares in (48% of) Mt Isa Metals.
- (ii) The agreement for D'Aguilar's subsidiary Navaho Gold Pty Ltd to acquire Mingoola Gold Pty Ltd is complete, and work is now underway identifying an extensive exploration play and tenure for gold targets in Nevada, USA, home of the legendary Carlin, Battle Mountain and Getchell trends which have hosted and yielded a combined 200m oz of gold since 1980. Navaho Gold is managed by Mark Dugmore and Robert Skrzeczynski, and assisted by Dr Darryn Hedger and Dr Noel White, who together ran the BHP worldwide minerals exploration effort and have vast base metals and international project experience. D'Aguilar and Navaho management are planning an IPO of the company in Q4 2010.

- (iii) The forthcoming float of AusNiCo which is aiming to raise \$6 million, leaving D'Aguilar with a controlling 59% interest. The funds will be used to explore for and define diverse Nickel sulphide and oxide occurrences in new, south east Queensland Nickel provinces defined by D'Aguilar. The main AusNiCo project has potential to yield an Avebury style Nickel Sulphide project. Avebury formed the project basis for the \$800 million takeover of Allegiance by Zinifex Limited in mid 2008.
- (iv) Solomon Gold (LSE: SOLG) in which D'Aguilar holds a 17% interest, is on the cusp of defining a maiden resource at its central Queensland Rannes Project, is continuing to progress its significant porphyry copper gold project in Joint Venture with Newmont in the Solomon Islands, and has started exploration work on its 100% owned Lihir lookalike project at Fauro Island in the Solomons.

The Board encourages all eligible shareholders to participate in the New Rights Issue, and takes this opportunity to thank shareholders for their support to date.



On behalf of the Board
KM Schlobohm
Company Secretary

About D'Aguilar Gold

D'Aguilar Gold Limited is focussed on generating exploration and development companies in a wide array of minerals.

Projects are conceived directly through the skills and experience of D'Aguilar's accomplished team of exploration geoscientists (an enviable track record), not by the costly purchase of properties. Each project or exploration strategy is held in a separate subsidiary.

Focussed and specialist management is then engaged in the subsidiary, with project specific finance raised in the subsidiary – faster and less dilutive to D'Aguilar. As the subsidiary project develops and starts to derisk the subsidiary is separately capitalised (seed raisings followed by an IPO).

Investors can choose to invest specifically in a particular project/commodity, or by investing in D'Aguilar, invest in the resource company generating business which retains a significant carried interest in each project.

D'Aguilar projects tend to be very large, targeting new provinces with the potential to make world-class discoveries. The exploration concepts are often novel. While increased metal prices and advances in technology can turn former sub-economic deposits into viable projects, D'Aguilar subsidiary projects frequently emerge from detailed reassessment and reinterpretation of large databases – looking at things from a new angle and with a different focus using state of the art techniques. The D'Aguilar Directors and Managers have in the past applied new exploration models to extensive tenement areas which have led to identification of new mineral provinces and the discovery of nationally significant resources. Similar efforts are now being dedicated to D'Aguilar.

D'Aguilar Gold currently holds 50 million shares (48%) in **Mt Isa Metals Limited** (ASX: MET) embarking on an exciting gold strategy in Burkina Faso, and 32.9 million shares (17.05%) in **Solomon Gold plc** (LSE: SOLG).

D'Aguilar has recently announced plans for the IPO and ASX Listing of subsidiaries **AusNiCo Limited** (nickel and cobalt) and **Navaho Gold Pty Ltd** (gold and silver). In the development pipeline, D'Aguilar is also progressing plans for three other subsidiaries – **Ridge Exploration** (iron ore, titanium and aluminium), **Anduramba Molybdenum** (molybdenum and copper) and **Barlyne Mining** (porphyry copper, gold and molybdenum). Several other projects are at earlier stages of development, and will be announced to the market when exploration tenements have been secured.

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Electronic copies and more information are available on the Company website: www.daguilar.com.au