

ASX Announcement

26 July 2010

Market Update

The Directors of D'Aguilar Gold Limited (**D'Aguilar**) are pleased to provide the following update to the market regarding the Group's activities.

Execution of Agreement for Scrip-based Take-over of Ridge Exploration By Coltstar Ventures Inc

D'Aguilar and its 86% owned iron and titanium focused subsidiary, Ridge Exploration Pty Ltd (**Ridge**) are pleased to advise that all parties have now executed the Share Purchase Agreement for the scrip based take-over of Ridge Exploration by TSX.V-listed Canadian company Coltstar Ventures Inc (Coltstar, TSX.V:CTR).

Under the Share Purchase Agreement, Coltstar will acquire 100% of the issued shares of Ridge, in consideration for the issue of 10 million new, fully-paid shares in Coltstar to the Ridge shareholders. D'Aguilar will appoint a Director to the Coltstar Board, and will continue to provide managerial and administrative support to Ridge on commercial terms. The parties are currently expediting the appointment of a Chief Operating Officer for Ridge to lead the further exploration and metallurgical programs.

D'Aguilar and Coltstar are now progressing through the due diligence and regulatory approval stage of the transaction, and D'Aguilar will advise the market on the completion of each of these milestones.

About Ridge

Ridge holds exploration licences and other rights for iron ore and titanium over parts of the northern Surat Basin, the underlying basement and other areas where previous work has identified iron ore development with over 40% iron content in lateritised profiles. While over the past 40 years the mining industry has concentrated on the exploitation of haematite ores grading better than 55% iron, it has been overlooked that for most of the history of the iron and steel industry (many centuries), iron ore grading 35+% was the accepted standard. Ridge's target areas are situated adjacent to massive coal and gas reserves (owned by unrelated third parties) and given the current high prices for iron ore, Ridge believes that iron ore in the Surat prospect area should be able to be profitably exploited even bearing costs of upgrading and processing.

Initial field work has already identified extensive deposits of sediment hosted iron ore with many assays >40% Fe. The largest and strongest iron deposit identified lies in the Johnson Creek area on the eastern edge of the Basin approximately 100km southwest of Mundubbera and 80km east of Wandoan, referred to as Cadarga. Mapping and sampling work at Cadarga has also led to the discovery of high grade Titanium Dioxides (up to 31% TiO₂) around an interpreted basaltic volcanic centre near the town of Monogorilby. The deposit is flat lying within a lateritised volcanic breccia and covers about 6 square kilometres around a diatreme style of volcanic vent. Ridge is investigating the potential for the discovery and development of a large-scale TiO₂ project in the area.

About Coltstar

Coltstar Ventures Inc was established in 2006 and is based in Vancouver, Canada. Coltstar is a Tier 2 TSX Venture Exchange listed company headed by CEO Damien Reynolds.

As part of its focus on world-class iron-ore projects, Coltstar has recently announced the staking of a 958km² tenement area contiguous with Chevron Canada Limited's Crest iron deposit which is located within a 600km² area straddling the Yukon – Northwest Territories border in Northern Canada.

Through its subsidiary, Tuscany Minerals, Coltstar is also focused on the acquisition, exploration, and development of gold properties in Italy. Its principal property includes the Colline Metallifera gold property, which consists of six exploration permits located in Tuscany, Italy covering a large Carlin style gold system.

Coltstar recently announced that a silt sampling campaign has expanded a large, gold-in-silt anomaly on its Torniella Property in central Italy. This anomaly exhibits very high gold values (greater than 1,000 ppb) in a setting similar to that of high-sulphidation gold mines in Latin America, such as Pierina, Yanacocha, Pasqua-Lama and Fruta-del-Norte. The Torniella exploration permit, covering a surface area of 2,130 hectares, is located 110 kilometres north-west of Rome in an area which hosts significant mining activity.

D'Aguilar's Investment Portfolio

Following completion of this transaction, D'Aguilar will hold approximately 8.6 million shares in **Coltstar**, valuing the investment at approximately **A\$8.0 million** dollars based on the current Coltstar price of CDN\$0.85.

This investment will also join D'Aguilar's other existing listed resource company investments in Burkina Faso gold explorer **Mt Isa Metals** (**A\$9.5 million**, based on 50 million shares at \$0.19) and Solomon Island and Queensland gold explorer **Solomon Gold** plc (**A\$3.2 million**, based on 35.2 million shares at GBP0.053).

Accordingly, D'Aguilar will soon have asset backing in the form of international exchange-listed investments in excess of **A\$20 million** based on current prices.

D'Aguilar's Corporate Pipeline

In addition to the investments outlined above, D'Aguilar is currently finalising its plans for the impending IPO of **AusNiCo** Limited, in which it will retain a significant investment. The IPO value of this retained holding will approximate **\$13 million**. D'Aguilar will have two representatives on the Board of AusNiCo, including the Chairman.

D'Aguilar has also commenced work on the Q4 2010 IPO of gold explorer, **Navaho Gold**, in which it will also retain a significant holding after the float, together with two Board representatives including the Chairman. Navaho Gold is headed by ex-BHP exploration management chief Mark Dugmore, and is currently assembling a highly-prospective gold portfolio within the 200m oz Carlin / Battle Mountain / Eureka trends in Nevada USA, and the Northern Bowen Basin and Texas Block in Queensland, Australia.

In addition, D'Aguilar is currently assembling large-scale unconventional gas exploration assets in an energy-focussed subsidiary. Mr Phil McNamara has recently been appointed as the CEO of this company, and will oversee the seed capital raising and IPO raising and ASX listing process. Mr McNamara was formerly Managing Director of Waratah Coal and a Director of Mr Clive Palmer's Resource House. He has a long and successful history in large-scale resource projects and infrastructure development planning and approval progression.

D'Aguilar's subsidiary, **Barlyne Mining** will soon commence drill testing of outcropping extensive copper gold molybdenum porphyry mineralisation in the Great Blackall area north of and adjoining Aussie Q Resources Limited's Whitewash and Kiwi Carpet project areas.

Competent Persons Statement

The information herein that relates to Exploration Results is based on information compiled by Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Holdings Pty Ltd which provides certain consultancy services including the provision of Mr Mather as the Managing Director of D'Aguilar Gold Ltd (and a director of D'Aguilar Gold Ltd's subsidiaries).

Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.



On behalf of the Board

KM Schlobohm

Company Secretary

About D'Aguilar Gold

D'Aguilar Gold Limited is focused 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.

Focused 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 35.2 million shares (15.6%) 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). Further, D'Aguilar has announced the proposed merger of its 86% owned **Ridge Exploration** (iron ore, titanium and aluminium) with Canadian-listed Coltstar Ventures Inc.

In the development pipeline, D'Aguilar is also progressing plans for other subsidiaries – **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.

D'Aguilar has 322,002,760 shares on issue.

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

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