



ASX Announcement

25 February 2011

Ridge Exploration Update

Further to the previous announcements of 19 October and 1 December 2010, the Directors wish to advise that the impending merger between 86% DGR subsidiary, Ridge Exploration Pty Ltd (Ridge), and Canadian TSX-V listed Coltstar Ventures Inc (Coltstar) has been terminated.

D'Aguilar Gold, on behalf of the Ridge vendors, has terminated the transaction due to the failure of Coltstar to meet its obligations under the Agreement, including the key areas of due diligence and project financing.

D'Aguilar has continued to fund the ongoing exploration work on the Ridge tenements, and with the current buoyancy of the global iron-ore market, the Directors have committed to an IPO of Ridge and listing on the ASX by mid 2011. D'Aguilar has received an offer to underwrite the IPO to the extent of \$6 million.

D'Aguilar and existing shareholders in Ridge will hold approximately 50% equity (\$6m at the IPO price) in the company following the IPO. The Directors believe this outcome to be substantially better, and in the interests of Ridge and D'Aguilar shareholders, than the alternative in Coltstar, with a current market valuation of approximately A\$3.6 million.

The process of taking Ridge to an IPO is expected to take approximately 3 months, as the availability of the documentation and independent reports created for the various regulatory elements of the previously proposed merger will enable the timely and efficient preparation and issue of the Prospectus document.

At the time of the IPO of Ridge, a Priority Offer will be made available to D'Aguilar Gold shareholders.

Further details will be released in due course.

A handwritten signature in blue ink, appearing to read 'KM Schlobohm'.

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 (with 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 52 million shares (33%) in **Mt Isa Metals Limited** (ASX: MET) embarking on an exciting gold strategy in Burkina Faso, 35.2 million shares (12.5%) in **Solomon Gold plc** (LSE: SOLG) and 58.5 million shares (53%) in **AusNiCo Limited**.

D'Aguilar is also progressing the IPO and ASX listing of **Navaho Gold Ltd** (gold and silver) which has now had its Prospectus approved by ASIC. The offer period for Navaho Gold opens on 2 March 2011.

In the development pipeline, D'Aguilar is also progressing plans for other subsidiaries – **Ridge Exploration Pty Ltd** (iron ore), **Archer Resources Ltd** (molybdenum, copper and gold) and **Armour Energy Ltd**, a shale oil and gas-focused subsidiary. 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 322,202,760 shares on issue.

Email: info@daguilar.com.au

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

For further information contact:

Mr Nicholas Mather

Managing Director D'Aguilar Gold Ltd
Ph: 07 3303 0680

Karl Schlobohm

Company Secretary, D'Aguilar Gold Ltd
Ph: 07 3303 0680



Phone +61 7 3303 0680
Fax +61 7 3303 0681
Email info@daguilar.com.au
Website www.daguilar.com.au

Head office
Level 5
60 Edward Street
Brisbane QLD 4000

Postal Address
GPO Box 5261
Brisbane QLD 4001

Exploration Office
52 Violet Street
PO Box 611, Gympie QLD 4570
Phone +61 7 5483 6199
Fax +61 7 5483 6233