
EUROGOLD LIMITED

ACN 009 070 384

NOTICE OF GENERAL MEETING

**The General Meeting of the Company will be held at
Level 1, The Old Brewery, 173 Mounts Bay Road, Perth,
Western Australia on Monday, 8 November 2010
at 10:00am (WST)**

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9481 0572.

EUROGOLD LIMITED

ACN 009 070 384

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of shareholders of Eurogold Limited (**Company**) will be held at Level 1, The Old Brewery, 173 Mounts Bay Road, Perth, Western Australia on Monday, 8 November 2010 at 10:00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form are part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on 6 November 2010 at 5.00pm.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. **Resolution 1 – Approval of issue of Shares to Brinkley Shareholders**

To consider, and if thought fit, to pass with or without amendment as an ordinary resolution the following:

*"That, in accordance with Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the Company to allot and issue up to 25,024,413 Shares to the Brinkley Shareholders (**Scheme Share Issue**) on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the Scheme Share Issue and who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if Resolution 1 is passed, or any associates of such a person.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By Order of the Board

Pauline Collinson
Company Secretary
4 October 2010

EUROGOLD LIMITED

ACN 009 070 384

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held at Level 1, The Old Brewery, 173 Mounts Bay Road, Perth, Western Australia on Monday, 8 November 2010 at 10:00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Resolution 1 – Authorise Scheme Share Issue

2.1 Introduction

As announced on 9 September 2010, the Company is proposing to acquire all of the shares in the AIM listed company, Brinkley Mining PLC (**Brinkley**), that it does not already own, to be effected by way of a scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006 (**Scheme**). The Company currently owns 41.1 per cent of the existing issued share capital of Brinkley.

2.2 Background to the Acquisition of Brinkley

On 20 August 2009, the Company first acquired an interest in Brinkley amounting to 103,500,000 Brinkley shares representing 29.04 per cent of Brinkley's issued share capital.

On 22 September 2009, Mr Peter Gunzburg, the CEO of the Company, joined the board of Brinkley. Since then, the Company acquired a further 42,950,000 Brinkley shares to increase its interest in Brinkley to 146,450,000 Brinkley shares, representing 41.1 per cent of Brinkley's issued share capital. Mr Neil MacLachlan, a non-executive director of the Company subsequently joined the board of Brinkley.

As the Company and Brinkley are both investing companies and both have significant investments in junior quoted gold exploration and production companies and a common investment in the ASX listed company, Dragon Mining Limited (**Dragon**), the Board reviewed the opportunity for combining the two companies. Following the implementation of the Scheme, the Company intends to procure the transfer of Brinkley's investment portfolio and cash balances to the Company.

The Company believes that the acquisition of Brinkley could lead to the following benefits:

- (a) cost reductions across the Enlarged Group of approximately AUD\$320,000 per annum through economies of scale and having one quoted company rather than two;

- (b) a larger net asset base for the Enlarged Group which may provide more liquidity in the Shares of the Company under normal market conditions;
- (c) a broader portfolio of investments in AIM-traded and ASX-quoted junior gold exploration and production companies; and
- (d) both Brinkley and the Company hold shares in Dragon and following the intended transfer of shares in Dragon to the Company after the implementation of the Scheme, the Company will be the largest single shareholder in Dragon.

2.3 Details of Scheme

If the Scheme becomes effective, the Company must issue Shares to the shareholders of Brinkley on the share register of Brinkley as at the relevant record date for the Scheme (**Brinkley Shareholders**) as consideration for them agreeing to have their Brinkley shares cancelled by way of a court approved reduction of capital. Once the Brinkley Shareholders' Brinkley shares are cancelled, an equivalent number of new Brinkley shares will be issued to the Company.

By way of consideration for the cancellation of their Brinkley shares, Brinkley Shareholders will receive 11.9228 Shares for every 100 Brinkley shares cancelled.

The consideration for the cancellation of the Brinkley shares has been determined by reference to the proportionate contribution of each of the Company and Brinkley to the combined net assets of the Company and Brinkley calculated as at 31 August 2010. The value of those investments held by Brinkley and the Company which are listed, traded, quoted or dealt in on a recognised stock exchange or AIM were calculated by reference to the quoted bid prices on 31 August 2010. All other assets (including cash balances) or liabilities were as recorded in the relevant company's balance sheet at such date, together with a provision in respect of the estimated expenses arising from the Scheme.

The offer under the Scheme, values each Brinkley share at approximately 1.14 pence, representing a premium of approximately 34 percent to the closing price on AIM of 0.85 pence per Brinkley share on 31 August 2010 and values the existing issued share capital of Brinkley at approximately £4.07 million.

The offer under the Scheme values each Brinkley share at a discount of 35 per cent to the Board's and the Brinkley directors' estimate of net asset value per Brinkley share of approximately 1.76 pence on 31 August 2010.

On 31 August 2010, the ASX closing price per Share was 16.5 cents, a discount of 37.5 percent to the Board's and the Brinkley directors' estimate of net asset value per Share of approximately 26.4 cents on 31 August 2010.

Approval of the Scheme (by Brinkley Shareholders) and the passing of Resolution 1 will result in the issue of 25,024,413 new Shares, representing approximately 28.13 percent of the enlarged issued share capital of the Company.

It is proposed that upon completion of the Scheme, Brinkley's admission to AIM be cancelled and that Brinkley will be re-registered as a private United Kingdom company.

The implementation of the Scheme is conditional upon a number of matters, including:

- (a) the approval of the Scheme by a majority in number of Brinkley Shareholders representing not less than 75 percent in value of the Brinkley shares held by those Brinkley Shareholders present and voting, either in person or by proxy, at the relevant court meeting (or at any adjournment thereof); and

- (b) the Scheme being sanctioned by the court (with or without modification, such modification being acceptable to both Brinkley and the Company) and confirmation of the reduction of capital involved therein by the court.

2.4 Information on Brinkley

Brinkley is an investing company and its stated strategy is to acquire holdings in natural resources, minerals and or metals companies and assets.

On 4 December 2009 Brinkley announced that it had purchased an investment of 8.13 per cent in Dragon financed from its cash balances. On 27 January 2010, Brinkley announced that it had purchased a further 4.5 per cent of Dragon.

Following this further investment, Brinkley owned approximately 12.68 per cent. of Dragon which, together with its remaining cash balances, comprised Brinkley's principal asset. The balance of Brinkley's current cash balances has been retained by Brinkley to provide working capital for its ongoing costs, professional expenses and to be available to fund any further investments by Brinkley in line with its investing strategy which would depend on investment (and realisation) opportunities and ongoing costs.

For the year ended 31 December 2009, the Brinkley group reported turnover of £nil (2008: £nil) with a loss on ordinary activities before taxation of £0.295 million (2008: £13.0 million), net assets of £6.599 million (2008: £7.888 million) and cash and short term deposits of £3.080 million (2008: £7.322 million). These figures have been extracted from the financial statements for the years ended 31 December 2009 and 31 December 2008.

On 26 July 2010 the Brinkley group reported its unaudited results for the six months ended 30 June 2010 and reported turnover of £nil (2009: £nil) with a loss on ordinary activities before taxation of £0.134 million (2009: £0.668 million), net assets of £5.883 million (2009: £7.04 million) and cash and short term deposits of £0.867 million (2009: £6.814 million). These figures have been extracted from the published unaudited results for the six months ended 30 June 2010 and 30 June 2009.

As described above, Brinkley's principal investment is its 12.68 per cent interest in Dragon which was valued at £5,437,070 as at the 31 August 2010. At the same date, Brinkley's cash balances amounted to £784,156.

Additional information concerning Brinkley and copies of announcements released in connection with the Scheme are available at: www.brinkley-mining.com.

2.5 Information on Dragon

As at 1 October 2010 Dragon had a market value of approximately AUS\$121 million and operates the Svartliden Gold Mine in Sweden and the Orivesi and Jokisivu Gold Mines in Finland, which collectively produced 66,149 ounces of gold in 2009. In its Quarterly Activities report to the ASX for the three months ended 30 June 2010 (the **Quarter**), dated 16 July 2010, Dragon announced production of 20,792 oz at an average cost of US\$565/oz for the Quarter. Dragon also reported a number of exploration results designed to increase mine life in both Finland and Sweden.

As reported in Dragon's audited report and accounts for the year ended 31 December 2009, Dragon made a loss before taxation of AUS\$7.27 million (2008: profit of AUS\$8.167 million) on a turnover of AUS\$74.658 million (2008: AUS\$69.98 million). The loss before tax in 2009 included AUS\$21.4 million of foreign currency losses due to the impact of the appreciation of the Australian Dollar against the Euro and Swedish Krona on certain intercompany loans which had no effect on cash flow. As at 31 December 2009 Dragon's net assets amounted to AUS\$43.92 million (2008: AUS\$44.16 million) and Dragon had cash of AUS\$4.4 million (2008: AUS\$8.5 million).

As at 30 June 2010 Dragon held AUD\$16 million in cash, AUD\$2.2 million in Gold Bullion, AUD\$12.7 million in net gold concentrate and AUD\$4.0 million cash lodged with the Finnish and Swedish authorities for mine rehabilitation. Dragon reported gross cash inflow of AUS\$10.0 million for the Quarter.

2.6 Listing Rule 7.1 – Shareholder approval

Listing Rule 7.1 requires Shareholder approval for the Scheme Share Issue. Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the Company's securities then on issue.

The Share Scheme Issue represents more than the 15% of the Company's securities on issue for the purposes of Listing Rule 7.1. Accordingly, Shareholder approval is sought in accordance with Listing Rule 7.3.

2.7 Specific information required by Listing Rule 7.3

For the purposes of the Shareholder approval of the Scheme Share Issue and the requirements of Listing Rule 7.3 information is provided as follows:

- (a) The maximum number of securities the Company is to issue under the Scheme Share Issue is 25,024,413 Shares.
- (b) The Shares will be issued within 14 days of the Scheme Effective Date and in any event no later than 3 months after the date of the Meeting.
- (c) The Shares will be issued as consideration for the cancellation of the Brinkley Shareholders' shares in the capital of Brinkley pursuant to the Scheme.
- (d) The Shares will be allotted to Brinkley Shareholders or their nominees none of whom will be related parties or associates of related parties of the Company..
- (e) The Shares to be issued will be fully paid ordinary shares in the capital of the Company.
- (f) No funds will be raised from the issue of the Shares.
- (g) Allotment of the Shares will occur in one tranche.
- (h) A voting exclusion statement is included in the Notice.

3. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Schedule 1 – Definitions

In this Explanatory Memorandum and Notice of General Meeting:

"**ASX**" means Australian Securities Exchange Limited.

"**ASIC**" means Australian Securities and Investments Commission.

"**Board**" means Directors of the Company.

"**Brinkley**" means Brinkley Mining PLC.

"**Brinkley Shareholder**" has the meaning given in Section 2.1.

"**Business Day**" has the meaning in the Listing Rules.

"**Company**" and "**Eurogold**" means Eurogold Limited ACN 009 070 384.

"**Directors**" mean the directors of the Company.

"**Dragon**" means Dragon Mining Limited ACN 009 450 051.

"**Enlarged Group**" means the Company and its subsidiary undertakings, as enlarged by the acquisition of Brinkley.

"**Explanatory Memorandum**" means the explanatory memorandum to the Notice.

"**Listing Rules**" means the Listing Rules of ASX.

"**Meeting**" has the meaning given in the introductory paragraph of the Notice.

"**Notice**" means this notice of General Meeting.

"**Proxy Form**" means the proxy form attached to the Notice.

"**Resolution**" means a resolution referred to in this Notice.

"**Scheme**" has the meaning given in Section 2.

"**Scheme Effective Date**" means the date that the Scheme becomes effective which is proposed to be 18 November 2010.

"**Scheme Share Issue**" has the meaning given in Resolution 1.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**Shareholder**" means a shareholder of the Company.

In this Notice, words importing the singular include the plural and vice versa.

EUROGOLD LIMITED

ACN 009 070 384

PROXY FORMThe Company Secretary
Eurogold Limited**By delivery:**1st Floor
The Old Brewery
173 Mounts Bay Road
Perth WA 6000**By post:**PO Box 7493
Cloisters Square
Perth WA 6850**By facsimile:**

+61 8 9481 3586

I/We

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of

being a Shareholder/Shareholders of the Company and entitled to

_____ votes in the Company, hereby appoint ²

or failing such appointment the chairman of the General Meeting as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 10:00am (WST) on Monday, 8 November 2010 at Level 1, The Old Brewery, 173 Mounts Bay Road, Perth, Western Australia and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * []% of the Shareholder's votes*/ [] of the Shareholder's votes (an additional Proxy Form will be supplied by the Company, on request).

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS**IMPORTANT:**

If the Chairman of the general meeting is to be your proxy and you have not directed your proxy how to vote on Resolution 1 please tick this box. By marking this box you acknowledge that the chairman of the general meeting may exercise your proxy even if he has an interest in the outcome of Resolution 1 and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the chairman of the general meeting will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

The chairman of the general meeting intends to vote undirected proxies in favour of the Resolution.

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

	For	Against	Abstain
Resolution 1 Authorise Scheme Share issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹ Insert name and address of Shareholder² Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the General Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting. If the Shareholder is entitled to cast 2 or more votes at the General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Level 4, State One House, 172 St Georges Terrace, Perth, Western Australia or Facsimile (08) 9481 3586 if faxed from within Australia or +61 8 9481 3586 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the General Meeting (ie 5.00pm (WST) on 18 October 2010).