



**EUROGOLD**  
**L I M I T E D**  
(ACN 009 070 384)

7 July 2008

ASX & AIM Symbol "EUG"

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**NON-RENOUNCEABLE RIGHTS ISSUE – REVISED PROSPECTUS**

The Company announced the lodgment of a prospectus on 3 July 2008. The prospectus contained several typographical errors in the timetable, which have been corrected in the attached revised prospectus. The revised prospectus will be sent to shareholders shortly.

Pauline Collinson  
Company Secretary

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**Eurogold Limited**  
**ABN 58 009 070 384**

**PROSPECTUS**

A fully underwritten non-renounceable pro rata offer of 319,679,494 Shares on the basis of 1 Share for every 1 Share held on the Record Date at an issue price of \$0.03 cents per Share to raise a maximum of \$9,590,385, before costs of the Offer

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
PLEASE READ THIS PROSPECTUS CAREFULLY AND IN ITS ENTIRETY AND CONSULT  
YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER IF  
YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT.**

**An investment in the securities offered by this Prospectus should be considered  
speculative.**

## Important Information

This Prospectus is dated 3 July 2008 and was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 1, 173 Mounts Bay Road, Perth, Western Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.10).

The Company has applied for Official Quotation by ASX of the Shares offered by this Prospectus.

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Applications for Securities can only be submitted on an Entitlement and Acceptance Form accompanying this Prospectus or an Application Form sent with a copy of this Prospectus by the Company as appropriate.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

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## Corporate Directory

<p><b>Directors</b>  Peter Gunzburg – Executive Chairman  Brett Montgomery - Non-Executive Director  Neil MacLachlan - Non-Executive Director</p> <p><b>Company Secretary</b>  Pauline Anne Collinson</p> <p><b>Registered Office</b>  Level 1  173 Mounts Bay Road  Perth Western Australia 6000</p> <p>Telephone: +61 8 9481 0572  Facsimile: +61 8 9481 3586</p> <p>Website: www.eurogold.com.au</p> <p><b>Underwriter</b>  RFC Corporate Finance Limited  Level 15, QV1 Building  250 St Georges Terrace  Perth Western Australia 6000</p>	<p><b>Solicitors</b>  Hardy Bowen  Level 1  28 Ord Street  Perth Western Australia 6000</p> <p><b>Share Registry</b>  Computershare Investor Services Pty Ltd  GPO Box D182  Perth Western Australia 6840  Telephone: +61 8 9323 2000  Facsimile: +61 8 9323 2033</p> <p><b>Stock Exchange</b>  The Company's securities are quoted on the official list of ASX Limited, the home branch being Perth and the Alternative Investment Market (AIM) London.</p> <p><b>ASX &amp; AIM Code:</b>  EUG</p>
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## Important Dates\*

Event	Date
“Ex” Date (date Shares are quoted ex-entitlement)	2 July 2008
Prospectus lodged with ASIC and ASX	3 July 2008
Record Date to determine Entitlements under the Offers	8 July 2008
Prospectus and Entitlement and Acceptance Form(s) despatched to Eligible Shareholders	11 July 2008
<b>Closing Date for acceptances</b>	25 July 2008
Shares quoted on a deferred settlement basis	28 July 2008
Expected allotment of Shares and despatch of shareholder statements	1 August 2008
Trading of Shares expected to commence on a normal settlement basis	4 August 2008

*\* The above dates are indicative only and subject to change. The Directors reserve the right to vary these dates, including the Closing Date, without prior notice. The Directors also reserve the right not to proceed with the whole or part of the Offers any time prior to the allotment. In that event, the relevant Application Money will be returned without interest.*

## **1. Details of the Offer**

### **1.1 The Offer**

The Company offers under this Prospectus a non-renounceable pro-rata offer of Shares to existing Shareholders on the basis of 1 Share for every 1 Share held on the Record Date ("**Offer**") which is fully underwritten.

Each Share is offered at an issue price of \$0.03 per Share payable in full on application.

Assuming that no Options are exercised prior to the Record Date, a maximum of approximately 319,679,494 Shares will be issued pursuant to this Prospectus to raise a maximum of \$9,590,385 (before costs).

Please refer to Section 5.1 for a summary of the rights attaching to Shares.

### **1.2 Use of funds**

The purpose of the Offer is to raise funds to:

- a) Allow the Company to expand the range and size of investments;
- b) Meet the costs of this Offer, including payments to the Underwriter, legal fees, document preparation fees, ASX and ASIC fees, the cost of printing and distributing this Prospectus and other miscellaneous expenses; and
- c) Provide additional working capital.

In accordance with the Company's strategy of being a strategic investment company, Eurogold intends to actively pursue opportunities in the resources sector by way of direct equity investments in companies with resource projects or directly into projects by way of ownership, joint ventures or farm in arrangements.

The additional funds raised from the Offer will enable Eurogold to pursue an expanded range of investment opportunities and make larger single investments than it could using its existing resources.

### **1.3 Your Entitlement and Acceptance**

Your Entitlement to participate in the Offer will be determined on the Record Date. The number of Shares to which you are entitled is shown on the Entitlement and Acceptance Form accompanying this Prospectus.

Any fractions in Entitlements have been rounded down to the nearest whole number of Shares.

Acceptances must not exceed your Entitlement shown on the Entitlement and Acceptance Form, although you may accept all or only part of your Entitlement. If your acceptance exceeds your Entitlement, acceptance will be deemed to be for your maximum Entitlement and any surplus Application Monies will be returned to you without interest.

A detailed explanation of the actions required by Shareholders is set out in Section 2.

### **1.4 Closing Date**

The Company will accept Entitlement and Acceptance Form(s) from the date of this Prospectus until the Closing Date or such other date as the Directors in their absolute discretion may determine without prior notice.

The Company reserves the right, subject to the Corporations Act and the Listing Rules, to cancel the Offer at any time prior to allotment (in which case Application Monies for Shares which have not been issued will be refunded (without interest) as soon as practicable) and to extend the Closing Date.

## **1.5 No minimum subscription**

There is no minimum subscription as the Offer is fully underwritten.

## **1.6 Non-renounceable Offers**

The Offer is made on a non-renounceable basis. This means that your Entitlement under this Prospectus is not transferable and you may not renounce (sell) your Entitlement which you do not wish to accept. Any portion of your Entitlement that you decide not to accept by the Closing Date will lapse and you will receive no benefit.

## **1.7 Entitlement and Acceptance Form**

The Entitlement and Acceptance Form will be sent with a copy of this Prospectus to eligible Shareholders.

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Applicant. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

## **1.8 Underwriting and Sub Underwriting**

The Offer is fully underwritten by the Underwriter and the Sub-Underwriter. The Underwriter and Sub-Underwriter will take up any Shares not taken up by existing Shareholders subject to certain termination events. Please refer to Section 5.6 for a summary of the Underwriting Agreement.

The Underwriter's obligations are limited to the extent to which the Sub-Underwriter performs its obligations to sub-underwrite the Offer.

The Sub-underwriter as nominee for Katong Assets Ltd currently holds 42,438,100 Shares in the Company representing 13.275% of the Shares currently on issue. As this is a nominee shareholding it has not been included in the table below as shares in which the Sub-underwriter or APRL has a relevant interest at the time of the lodgement of the Prospectus.

The Sub-Underwriter proposes to enter into a further agreement with APRL to take up to all of the Shortfall (if any).

APRL, ultimately owned by Allied Properties (H.K.) Limited (a listed company registered in Hong Kong). Allied Properties (H.K.) Limited also owns approximately 68.64% of Sun Hung Kai & Co, of which the Sub-Underwriter is a wholly owned subsidiary.

Depending on the level of acceptance by Shareholders of their Entitlements, the effect on the ownership in the Company of the Sub-underwriter or APRL subscribing for all the Shortfall is in the table below.

	<b>100% acceptance</b>	<b>75% acceptance</b>	<b>50% acceptance</b>	<b>25% acceptance</b>	<b>0% acceptance</b>
Number of Shares held at the date of the Offer	0	0	0	0	0
Maximum number of Shares to be issued under the Sub-underwriting commitment	0	79,919,873	159,839,747	239,758,621	319,679,494
Maximum number of Shares following the Offer	0	79,919,873	159,839,747	239,758,621	319,679,494
Maximum percentage of Shares following the Offer	<b>0%</b>	<b>12.5%</b>	<b>25.0%</b>	<b>37.5%</b>	<b>50.0%</b>

## **1.9 Allotment and issue**

The Shares will be issued as soon as practicable after the Closing Date. Holding statements in relation to the Shares will be despatched in accordance with the proposed timetable.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements will do so at their own risk.

## **1.10 Application Monies held on trust**

All Application Monies received for the Shares will be held on trust until the Shares are allotted. All Application Monies will be returned (without interest) if the Shares are not allotted.

## **1.11 ASX quotation**

In accordance with the Listing Rules, application has been made to ASX for the official quotation of the Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered under this Prospectus within three months of the date of this Prospectus (or such longer period as may be permitted by ASIC), the Company will repay, as soon as practicable (without interest) all Application Monies received pursuant to this Prospectus. ASX, its officers and employees, take no responsibility for the content of this Prospectus, and the fact that ASX may grant official quotation of the Shares is not to be taken in any way as an indication of the merits of Eurogold or the Shares.

## **1.12 Overseas Shareholders**

This Prospectus and an accompanying Application Form do not, and are not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No Offer will be made to Shareholders resident outside Australia and New Zealand.



### **1.13 Risk factors**

An investment in Shares should be regarded as speculative. In addition to the general risks applicable to all investments in securities of a listed company, there are specific risks associated with an investment in the Company which are set out in Section 4.

### **1.14 Withdrawal of Prospectus**

The Directors may at any time decide to withdraw this Prospectus, in which case the Company will repay, as soon as practicable (without interest), all Application Monies received pursuant to this Prospectus.

### **1.15 Enquiries in relation to the Offer**

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions in relation to the Offer, please contact your professional adviser.

## 2. Action required by Eligible Shareholders

### 2.1 Applications for Shares

Entitlement to participate in the Offer will be determined on the Record Date. The Entitlement of eligible Shareholders receiving this Prospectus is shown on the Entitlement and Acceptance Form sent to Shareholders with this Prospectus.

The number of Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

Should you wish to accept all of your Entitlement to Shares under the Offer, then Applications for Shares must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Acceptances must not exceed your Entitlement as shown on the Entitlement and Acceptance Form. If your acceptance exceeds your Entitlement, acceptance will be deemed to be for your maximum entitlement and any surplus Application Monies will be returned.

Should you wish to only take up part of your Entitlement under the Offer, then Applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY payment in respect of the portion of your Entitlement you wish to take up, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

If you wish to pay by cheque please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of Shares you wish to accept and the Application Monies (calculated at \$0.03 per Share accepted), and attach a cheque for the appropriate Application Monies.

Completed Application Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "**Eurogold Limited Rights Issue**" and may be lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Share Registry as follows:

By Post to C/- Computershare Investor Services Pty Ltd GPO Box D182 Perth Western Australia 6840 Australia	
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If you wish to pay via BPAY you must follow the instructions in the Entitlement and Acceptance Form. Eligible Securityholders who elect to pay via BPAY will not need to return their completed Entitlement and Acceptance Form. Please read the instructions carefully.

Completed Entitlement and Acceptance Forms or payment by BPAY must be received not later than 5.00pm (WST) on the Closing Date.

Completed Entitlement and Acceptance Forms should NOT be sent to the Company.

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

### 2.2 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not required to do anything.

If you do not submit a valid Entitlement and Acceptance Form to the Company before the Closing Date, your Entitlement will lapse and you will receive no benefit.

The number of Shares you hold and the rights attached to those Shares will not be affected if you choose not to accept any of your Entitlement. However, if you do not take up your Entitlement in full, your proportionate interest in the fully diluted share capital of the Company will be reduced.

### **2.3 Validity of Applications**

If your Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment of Application Monies is for the wrong amount or if the Entitlement and Acceptance Form is not received by the Closing Date, it may still be treated as a valid Application. The Directors' decision whether to treat the Entitlement and Acceptance Form as valid and to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the Application Monies.

### **2.4 Brokerage**

No brokerage or stamp duty is payable by Shareholders who apply for Shares under this Prospectus.

### **2.5 Enquiries concerning your Entitlement**

If you are in any doubt as to how to deal with your Entitlement or how to complete your Entitlement and Acceptance Form(s), you should contact your stockbroker, financial adviser or other professional adviser for assistance.

Otherwise, for information regarding your Entitlement and/or for enquiries concerning your Entitlement and Acceptance Form, please contact the Company on:

Telephone: +61 8 9481 0572

Facsimile: +61 8 9481 3586

### 3. Effect of the Offer

#### 3.1 Capital structure on completion of the Offer

Issued Capital	Shares	Options <sup>(2)</sup>
Securities on issue as at the date of this Prospectus	319,679,494	4,000,000
Number of Shares that will be issued pursuant to the Offer <sup>(1)</sup>	319,679,494	0
Securities on issue after the Offer	<u>639,358,988</u>	<u>4,000,000</u>

(1) Assuming that no Options are exercised prior to the Record Date.

(2) 4,000,000 \$0.03 Options exercisable by 10 August 2010

#### 3.2 Capital Structure post Shareholders meeting.

At a Shareholders meeting proposed to be held on or about 5 August 2008 the following resolutions are to be considered which affect the capital structure of the company:

- A 10:1 consolidation of the Company's Shares.
- The issue of 3,500,000 (post consolidation) \$1.00 Options with an expiry date of 30 June 2014 to Shareholders who participated in a placement on or about 4 August 2006. See Sections 5.4 and 5.12 for further information about this issue of Options.
- The issue of 500,000 (post consolidation) \$1.00 Options with an expiry date of 30 June 2014 to entities associated with Mr Peter Gunzburg who agreed to convert loans to Shares on the same basis as that on which investors invested in the placement in section 3.2(b). See Sections 5.4 and 5.12 for further information about this issue of Options.

The capital structure of the Company at the completion of the Offer assuming the approval of the resolutions at the general meeting of Shareholders will be:

Issued Capital	Shares	Options
Current Shares on issue (post consolidation)	31,967,949	400,000 <sup>(2)</sup>
Number of Shares that will be issued pursuant to the Offer (post consolidation) <sup>(1)</sup>	31,967,949	0
Number of Options to be issued subject to approval at general meeting	0	4,000,000 <sup>(3)</sup>
Maximum Number of Shares on issue after the Offers (post consolidation)	<u>63,935,898</u>	<u>4,400,000</u>

(1) Assuming that no Options are exercised prior to the Record Date.

(2) 400,000 \$0.30 Options exercisable by 10 August 2010

(3) 4,000,000 \$1.00 Options exercisable by 30 June 2014

#### 3.3 Voting power of the Sub-underwriter

The Sub-underwriter and APRL have indicated that its intentions mentioned in this section are based on the facts and information regarding the Company and the general business environment

which are known to it as at the date of this Prospectus. Any future decisions will, of course, be reached by the Sub-underwriter and APRL based on all material information and circumstances at the relevant time. Accordingly, if circumstances change or new information becomes available in the future, The Sub-underwriter's and APRL's intentions could change accordingly.

The Sub-underwriter and APRL have informed the Company that they are supportive of the Company's current direction. The Sub-underwriter and APRL have each indicated that it is willing to consider any proposals the Company's Board and management may put forward as to how the Sub-underwriter and APRL could support and assist the Company toward its objective.

The Sub-underwriter and APRL have advised the Company that since it is supportive of the Company's current direction, it does not currently intend to make any major changes to direction and objectives of the Company and that other than as disclosed above or elsewhere in this Prospectus, the Sub-underwriter and APRL:

- i. have no current intention of making any significant changes to the existing business of the Company;
- ii. have no current intention to inject further capital into the Company other than participating in the Offer and sub-underwriting the Offer;
- iii. have no current intention to become involved in decisions regarding the future employment of the Company's present employees and contemplates that they will continue in the ordinary course of business;
- iv. do not presently intend for any property be transferred between the Company and The Sub-underwriter or any person associated with it;
- v. have no current intention to redeploy the fixed assets of the Company; and
- vi. have no current intention to change the Company's existing financial or dividend policies.

In particular the requirements of the Corporations Act and the ASX listing rules in relation to conflicts of interest and "related party" transactions will apply in the event that the Sub-underwriter or APRL are considered a related parties of the Company.

The Sub-underwriter and APRL will only make a decision on its course of action in light of material facts and circumstances at the relevant time and after it receives appropriate legal and financial advice on such matters, where required, including in relation to any requirement for Shareholder approval.

The statements above are of current intention only which may change as new information becomes available or circumstances change.

### **3.4 Pro forma Consolidated Balance Sheet**

Set out below, for the purposes of illustration only, is a pro forma consolidated balance sheet of the Company after taking into account the Offer. It is based on the unaudited consolidated balance sheet of the Company as at 31 May 2008. The accounting policies adopted in the preparation of the consolidated balance sheet of the Company as at 31 May 2008 and the preparation of the pro forma consolidated balance sheet set out below are consistent with the accounting policies adopted and described in Eurogold's half-yearly report for the half-year ended 31 December 2007 and should be read in conjunction with that report.

The pro forma consolidated balance sheet illustrates the effect of the Offer as if the issue of Shares under this Prospectus had occurred on 31 May 2008 and is based on the assumptions set out below:

## PRO-FORMA BALANCE SHEET

	Unaudited Consolidated 31 May 2008	Pro-forma Adjustments	Pro-forma Unaudited Consolidated 31 May 2008
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2,720,848	9,131,445	11,852,293
Trade and other receivables	93,789		93,789
Investments	4,778,786		4,778,786
<b>TOTAL CURRENT ASSETS</b>	<b>7,593,423</b>	<b>9,131,445</b>	<b>16,724,868</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8,834		8,834
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,834</b>		<b>8,834</b>
<b>TOTAL ASSETS</b>	<b>7,602,257</b>	<b>9,131,445</b>	<b>16,733,702</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	759,153		759,153
Provisions	4,735		4,735
<b>TOTAL CURRENT LIABILITIES</b>	<b>763,888</b>		<b>763,888</b>
<b>TOTAL LIABILITIES</b>	<b>763,888</b>		<b>763,888</b>
<b>NET ASSETS</b>	<b>6,838,369</b>	<b>9,131,445</b>	<b>15,969,814</b>
<b>EQUITY</b>			
Contributed equity	41,345,565	9,131,445	50,477,010
Reserves	17,846		17,846
Accumulated losses	(34,525,042)		(34,525,042)
<b>TOTAL EQUITY</b>	<b>6,838,369</b>	<b>9,131,445</b>	<b>15,969,814</b>

### Pro forma Adjustments

- (a) The Company issues 319,679,494 Shares at \$0.03 per Share pursuant to this Prospectus, raising proceeds of approximately \$9,590,370 before costs of the Offer estimated to be \$458,925. The pro-forma is prepared on the basis that the Offer raises \$9,131,445 after costs.
- (b) Estimated costs of the Offer of \$458,925 have been recognised directly against share capital, as a reduction of the proceeds of the Offer.

### Contingent Asset and Liabilities

- (a) On 10 July 2007 the company disposed of its Ukrainian gold mining assets for US \$5 million. US \$3 million of this amount remains outstanding and will only be received upon the purchaser meeting a regulatory milestone relating to the advancement of the Saulyak Gold Project.
- (b) In addition to the disposal of its Ukrainian gold mining assets for US \$5 million the company has settled its legal proceedings against Oxus Holdings (Malta) Limited and Oxus Gold Plc arising from the termination of an earlier asset sale agreement entered into between the Company and Oxus Holdings (Malta) Limited and Oxus Gold Plc on 30 April 2006 for the sale of the company's Ukrainian gold assets. The net value of the settlement to the Company totalled \$4,805,554. Until the preparation of the Company's taxation return for the year ended 30 June 2008 is completed the potential tax liability, if any, in relation to the sale and litigation proceeds will not be established. The ultimate

amount of tax liability, if any, will be dependant on a number of factors including but not limited to:

- (i) The final amount received in respect to the sale;
  - (ii) The classification of the transactions for taxation purposes;
  - (iii) The final determination of the asset cost bases for taxation purposes; and
  - (iv) The ability of the Company to offset other expenses and capital losses which may be available to it.
- (c) The Company has guaranteed the payment of a royalty by Saulyak Limited Liability Company based on gold output from the Saulyak Gold Project which was disposed of by the Company on 10 July 2007. The royalty is up to 2% net smelter royalty per ounce of gold produced from the Saulyak Gold Project payable only in respect of ounces of gold produced over 750,000 ounces in total. Gold production from the Saulyak Gold Project has not yet commenced with the current owners of the project yet to secure a mining licence. At the time of the sale of the project by the Company total reserves identified at the project were not in excess of 750,000 ounces.
- (d) The Company is a defendant in proceedings commenced by the Republic of Yugoslavia in Yugoslavia seeking damages for the accidental overflow of treatment water from the tailings dam spillage on 30 January 2000. Eurogold believes that it has no liability to the Republic of Yugoslavia with respect to those proceedings.

### **3.5 Future dividends**

The declaration of dividends, if any, by Eurogold, and the extent to which franking credits are attached to such dividends, will be subject to a variety of factors including the financial results of Eurogold, the general financial, economic and business environment, ongoing capital expenditure, future cash requirements, the taxation position of Eurogold and any other factors which the Directors may consider relevant.

## 4. Risk factors

Eurogold's business is subject to a number of risks that may impact on the financial performance of the Company and the price and value of its securities. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside the control of Eurogold and cannot be mitigated.

The following summary describes some of the risks that investors should consider before deciding whether or not to take up their Entitlement under the Offer. Potential investors should read this Prospectus in its entirety and consult their professional advisers before applying for Shares. Any of the risk factors set out in this Section 4, as well as any other factors not identified in this Prospectus, may materially affect the financial performance of the Company and the market price of Shares.

None of the Company, its Directors, nor any of its professional advisers gives any form of assurance or guarantee as to future dividends, return on capital or the price at which Shares might trade on ASX.

The risk factors described in this section are not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 4.1 Specific Risks in relation to Eurogold

#### (a) Investments, Projects and Acquisitions

Eurogold's board has extensive experience in the resources industry which it will utilise to identify, pursue and assess resource opportunities, including potential acquisitions, joint ventures, or investments in the resources sector, which can enhance Shareholder value. In doing so the Company may engage consultants, either in Australia or overseas, for the purposes of realising any potential investments or opportunities it identifies. As an incentive to perform, consultants may be paid cash, issued securities, or a combination of both.

The assessment of new investments and opportunities (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an investment or acquisition is completed, the Board will need to reassess, at that time, the funding allocated to current portfolio and new investments opportunities, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Where appropriate, the Company may dispose of an investment or interest in projects either in part or in whole if it considers that the proceeds on disposal can be used to fund either acquisitions or development activities which may be more appropriate for the Company to pursue.

#### (b) Volatility in the market price of Shares

Although the Company is listed on ASX, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the issue price. The market price of the Company's Shares could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares in the market, any difference



between the Company's actual financial and operating results and broader market-wide fluctuations.

(c) **Litigation Risks**

The Company is a defendant in proceedings commenced by the Republic of Yugoslavia in Yugoslavia seeking damages for the accidental overflow of treatment water from the tailings dam spillage on 30 January 2000. Eurogold believes that it has no liability to the Republic of Yugoslavia with respect to those proceedings. There is, however, no guarantee that the Company will not receive an adverse finding in relation to these proceedings which may impact on the financial viability of the Company and may impact on its future operations.

## 4.2 **General Risks**

(a) **Securities Investment**

Applicants should be aware that there are risks associated with any securities investment. The prices at which the Company's Shares trade may be above or below the issue price, and may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that these trading prices and volumes will be sustained. These factors may materially affect the market price of the Shares, regardless of the Company's operational performance.

(b) **Share Market Conditions**

The market price of the Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Economic Risk**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption and the rate of growth of gross domestic product in Australia and other jurisdictions in which the Company may acquire investments or mineral assets.

(d) **Legislative changes**

Changes in government regulations, policies and the laws of foreign countries may have an adverse effect on the Company's operations and financial performance. The Directors cannot guarantee that current regulations, policies and laws will not change or impact on the Company's operations.

(e) **Mineral Prices**

The factors which influence the price of minerals include, but are not limited to, supply and demand, forward selling, general world economic conditions and the outlook for interest rates, exchange rates, inflation and other commodity prices. A change in commodity prices may affect the value of the Company's investments or projects and impact on the financial performance of the Company.

(f) **Operating risks**

Mineral production is a high-risk business with no guarantee of success. By investing in companies or projects in the mineral production sector the Company is subject to the risks inherent in the conduct of mining operations. The operations of the Company or the companies in which it invests may be disrupted by a variety of events and hazards which are beyond the Company's control, including environmental hazards, industrial accidents, technical failures, labour disputes, government decisions, unusual or unexpected rock formations, underground mining conditions, ground conditions, flooding and extended interruptions due to inclement or hazardous weather conditions, fires, explosions and other incidents. These risks and hazards could also result in damage to, or destruction of production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability.

(g) **Joint venture parties and contractors**

The Directors are unable to predict the risk of the financial failure or default by a participant in any joint venture to which the Company may become a party or insolvency or other managerial failure by any of the contractors which may be used by the Company in its activities.

(h) **Future funding**

The future capital requirements of the Company will depend on many factors including its business development activities. Should the Company require additional funding there can be no assurance that additional financing will be available on acceptable terms, or at all. Any inability to obtain additional finance, if required, would have a material adverse effect on the Company's business and its financial condition and performance.

### **4.3 Other risk factors**

Other risk factors include those normally found in conducting a business including risks relating to employees (through personal injuries, industrial matters or otherwise or any other cause), strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, adverse weather conditions, and other matters that may interfere with the business or trade of the Company.

### **4.4 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Securities pursuant to this Prospectus.

## **5. Additional information**

### **5.1 Rights attaching to Shares**

A summary of the rights attaching to Shares in the Company is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

#### **(a) Voting**

At a general meeting, on a show of hands every Shareholder present in person has one vote. At the taking of a poll, every Shareholder present in person or by proxy and whose Shares are fully paid has one vote for each of his or her Shares. On a poll, the holder of a partly paid share has a fraction of a vote with respect to the share. The fraction is equivalent to the proportion which the amount paid (not credited) bears to the total amount paid and payable (excluding amounts credited).

#### **(b) General Meetings**

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, financial statements and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act and the Listing Rules.

#### **(c) Dividends**

The Directors may pay to Shareholders any interim and final dividends as, in the Directors' judgement, the financial position of the Company justifies. The Directors may fix the amount, the record date for determining eligibility and the method of payment. All dividends must be paid to the Shareholders in proportion to the number and the amount paid on the Shares held.

#### **(d) Transfer of Shares**

Generally, all Shares in the Company are freely transferable subject to the procedural requirements of the Constitution, and to the provisions of the Corporations Act, the Listing Rules and the ASTC Operating Rules. The Directors may decline to register an instrument of transfer received where the transfer is not in registrable form or where refusal is permitted under the Listing Rules or the ASTC Operating Rules. If the Directors decline to register a transfer the Company must give reasons for the refusal. The Directors must decline to register a transfer when required by the Corporations Act, the Listing Rules or the ASTC Operating Rules.

#### **(e) Variation of Rights**

The Company may only modify or vary the rights attaching to any Shares with the prior approval by a special resolution of the Shareholders, or with the written consent of the holders of at least three-fourths of the issued Shares.

(f) **Directors**

The minimum number of Directors is three and the maximum is ten. Currently, there are three Directors. Directors must retire on a rotational basis so that one-third of Directors must retire at each annual general meeting. Any other Director who has been in office for three or more years must also retire. A retiring Director is eligible for re-election. The Directors may appoint a director either in addition to existing Directors or to fill a casual vacancy, who then holds office until the next annual general meeting.

(g) **Decisions of Directors**

Questions arising at a meeting of Directors are decided by a majority of votes. The Chairman has a casting vote.

(h) **Issue of Further Shares**

Subject to the Constitution, the Corporations Act 2001 and the Listing Rules, the Directors may issue, or grant options in respect of, Shares to such persons on such terms as they think fit. In particular, the Directors may issue preference shares, including redeemable preference shares, and may issue shares with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on winding up.

(i) **Officers' Indemnity**

To the full extent permitted by the law and to the extent not covered by insurance, the Company must indemnify each officer of the Company against all losses and liabilities incurred by the person as an officer of the Company, including costs and expenses incurred in defending proceedings in which judgement is given in favour of the person or in which the person is acquitted or in connection with relief granted to the person in an application under the Corporations Act 2001 in respect to such proceedings.

(j) **Alteration to the Constitution**

The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting. At least 28 days' notice of the intention to propose the special resolution must be given.

(k) **ASX Listing Rules Prevail**

To the extent that there are any inconsistencies between the Constitution and the Listing Rules, the Listing Rules prevail.

## **5.2 Share trading history**

The lowest and highest market sale prices of Shares on ASX during the three months immediately preceding the date of this Prospectus were \$0.022 on 28 April 2008 and \$0.04 on 15 April 2008 respectively.

The last sale price for Shares traded on ASX prior to the date of this Prospectus was \$0.023 on 2 July 2008.

The issue of Shares may affect the market price of Shares.

### 5.3 Options

As at the date of this Prospectus the Company has granted 4,000,000 options over unissued Shares ("**Options**"), and each Option is convertible into one Share.

If a holder of an Option exercises their Options and is registered as the holder of Shares in respect of those Options as at the Record Date, they will be entitled to participate in the Offer in respect of those Shares acquired on exercise.

Options not exercised prior to the Record Date will confer no entitlement to participate in the Offer on their holding.

### 5.4 Rights attaching to Options

(a) **Entitlement**

Each Option (together the 'Options') entitles the holder to subscribe for one Share upon exercise of each Option.

(b) **Exercise Price and Expiry Date**

The Options have an exercise price of \$1.00 each and an expiry date of 30 June 2014.

(c) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date.

(d) **Notice of Exercise**

The Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Option being exercised. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(e) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then shares of the Company.

(f) **Timing of issue of Shares**

After a Option is validly exercised, the Company must, at the later to occur of, 15 Business Days of the notice of exercise and receipt of cleared funds equal to the sum payable on the exercise of the Options and 5 Business Days of the Company being in a position to comply with paragraph (b)(ii) below:

- (i) issue and allot the Share; and
- (ii) do all such acts matters and things to:
  - A. obtain the grant of quotation for the Share on ASX; and
  - B. ensure that the sale of the Share within 12 months of issue does not cause a breach of the Corporations Act.

(g) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(h) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (ii) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (iii) no change will be made to the Exercise Price.

(i) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

(j) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholders may be varied to comply the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

(k) **Quotation of Options**

The Options will be unlisted Options. No application for quotation of the Options will be made by the Company until such time as the Company in its absolute discretion determines otherwise. Should the Company make an application for quotation of the

Options and the ASX accepts the application for quotation of the Options then the Options will be listed Options from the time that the ASX accepts such application.

(l) **Options transferable**

Subject to the proposed transferee being a party which is within the class of parties in section 708 of the Corporations Act to which disclosure is not required, the Options are transferable.

(m) **Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the options with the appropriate remittance should be lodged at the Company's Registry.

## **5.5 CHESS**

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532 ("**ASTC**"), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASTC will send you a CHESS holding statement.

The CHESS holding statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number and the participant identification number of the sponsor.

If you are registered on the Issuer Sponsored subregister, your statement will be despatched by the Share Registry and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS holding statement or an Issuer Sponsored holding statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

## **5.6 Underwriting Agreement**

The Company, the Underwriter and the Sub-underwriter have entered into an underwriting and sub-underwriting agreement (Underwriting Agreement) to underwrite and sub-underwrite the Offer in accordance with the terms and conditions of the Underwriting Agreement.

The Underwriter and Sub-underwriter are required to subscribe for the Shortfall Shares.

The underwriting obligation of the Underwriter is limited to the extent to which the Sub-underwriter performs its sub-underwriting obligations under the Underwriting Agreement.

The Underwriter and Sub-underwriter may terminate their obligations to satisfy a shortfall, adjust their commitment to subscribe for a shortfall or waive its rights if any of the termination events specified in the Underwriting Agreement occur. These events are summarised as follows:

(a) **Prospectus**

Any of the following occurs in relation to the Prospectus:

- (i) the Underwriter or Sub-underwriter reasonably forms the view that there is a material omission, it contains a material statement which is misleading or deceptive, or a material statement has become misleading or deceptive;
- (ii) ASIC gives notice of intention to hold a hearing under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act; or
- (iii) any person other than the Underwriter who consented to being named in the Prospectus withdraws that consent.

(b) **Supplementary prospectus**

Either the Underwriter or the Sub-underwriter reasonably forms the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter or the Sub-Underwriter.

(c) **ASX Listing**

ASX does not give approval for the Shares issued under the Offer to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld.

(d) **Index change**

The ASX All Ordinaries Index as determined at close of trading falls at least 10% below its level at the close of trading on the date of the Underwriting Agreement for any three consecutive trading days during the underwriting period.

(e) **Indictable offence**

A director of the Company or any related corporation is charged with an indictable offence.

(f) **Return of capital or financial assistance**

The Company or a related corporation takes any steps to undertake a proposal contemplated under section 257A or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter.



(g) **Banking facilities**

The Company's bankers not terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility.

(h) **Change in laws**

Any of the following occurs:

- (i) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or
- (ii) the public announcement of prospective legislation or policy by the Federal Government, or the Government of any State or Territory; or
- (iii) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy,

which does or is likely to prohibit, restrict or regulate the principal business of the Company, the Offer or the operation of stock markets generally.

(i) **Failure to comply**

The Company or any related corporation fails to comply with any of the following:

- (i) a provision of its Constitution;
- (ii) any statute;
- (iii) a requirement, order or request, made by or on behalf of the ASIC or any Governmental Agency; or
- (iv) any material agreement entered into by it,

which is likely to prohibit or materially restrict the business of the Company or the Offer.

(j) **Alteration of capital structure or constitution**

The Company alters its capital structure or its Constitution other than as previously announced without the prior written consent of the Underwriter and the Sub-underwriter.

(k) **Extended force majeure**

A force majeure, which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of two (2) weeks, occurs.

(l) **Default**

The Company is in default of any material term and condition of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement.

(m) **Adverse change**

Any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related corporation).

(n) **Investigation**

Any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a related corporation.

(o) **Due diligence**

There is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading.

(p) **Prescribed occurrence**

A prescribed occurrence occurs.

(q) **Suspension of debt payments**

The Company suspends payment of its debts generally.

(r) **Event of insolvency**

An event of insolvency occurs in respect of the Company or a related corporation.

(s) **Judgment against a related corporation**

A judgment in an amount exceeding \$50,000 is obtained against the Company or a related corporation and is not set aside or satisfied within seven (7) days.

(t) **Calamity**

The occurrence of any calamity or crisis or any change in financial, political or economic conditions or currency exchange rates or controls in Australia or any restriction or limitation on the nature/basis of trading of equities on ASX.

(u) **Market conditions**

Any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any material adverse change occurs in national or international political, financial, economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriter and Sub-Underwriter, reached in good faith, it is impracticable to market the Offer or to enforce contracts to issue and allot the Securities or that the success of the Offer is likely to be adversely affected.

Neither the Underwriter nor the Sub-underwriter may terminate the Underwriting Agreement, adjust their commitment to subscribe for the Shortfall or waive its rights in relation to the

termination events in (a) to (u) above unless the termination event has or is likely to have a material adverse effect or could give rise to a liability of the Underwriter under the Corporations Act.

The Company has agreed to indemnify the Underwriter and the Sub-underwriter and its officers, employees, agents, representatives and advisers from and against all loss arising in any way relating to the Offer, the Underwriting Agreement, including any losses in connection with any investigation, enquiry or hearing by ASIC, ASX, a government or governmental agency.

The indemnity in the Underwriting Agreement does not extend to an indemnity against any loss arising out of the wilful misconduct, fraud or negligence of the Underwriter or Sub-Underwriter.

Under the Underwriting Agreement, the Underwriter is entitled to a commission of 4% of the total amount raised under the Offer (plus GST) payable by the Company and the Sub-underwriter is entitled to a commission of 3% of the total amount raised under the Offer (plus GST, if applicable) payable by the Underwriter. In addition, the Company must pay the Underwriter for all costs and expenses reasonably and properly incurred by the Underwriter provided approval is sought for any expenses in excess of \$500.

If the Underwriting Agreement is terminated by the Company for any reason, the Company must pay to the Underwriter within 3 business days after the termination any costs and expenses incurred up to and including termination, including a termination fee of \$50,000.

## **5.7 Taxation implications**

The Directors do not consider that it is appropriate to give Eligible Shareholders advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Eligible Shareholders. As a result, Eligible Shareholders should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

## **5.8 Nature of this Prospectus**

This Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act which allows the issue of such a prospectus in relation to offers of securities where those securities are of a class which have been quoted on a registered securities exchange for 12 months before the date of the Prospectus, or "continuously quoted securities". The Shares to be issued pursuant to this Prospectus are in a class of securities that are continuously quoted securities.

## **5.9 Eurogold is a disclosing entity**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office. Copies of announcements made through the ASX's company announcement platform may be viewed at the ASX website.

The Company's disclosure obligations include being required to notify ASX immediately of any information concerning the Company which it is, or becomes, aware of and which a reasonable person would expect to have a material effect on the price or value of its Shares or any other securities issued by the Company, subject to specified exceptions which apply for information of a certain character.

Other documents that are required to be lodged by the Company include:

- (a) half yearly reports and preliminary financial statements, to be provided to ASX within 75 days of the end of each half and full year accounting period respectively; and

- (b) financial statements, to be lodged with ASX within a specified time after the end of each accounting period.

## 5.10 Inspection and copies of documents

Until 5.00pm on the Closing Date, the Company will provide free of charge to any person who requests it a copy of:

- (a) the Annual Report dated 27 September 2007 containing the financial statements of the Company for the financial year ended 30 June 2007, being the last financial year for which financial statements have been lodged with ASIC in relation to the Company before the issue of this Prospectus; and
- (b) the following documents lodged by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph (a) and before the date of issue of this Prospectus in accordance with the Listing Rules and the Corporations Act:

The documents referred to in paragraphs (a) and (b) above are not included in, and do not accompany, this Prospectus.

Date Lodged	Subject of Announcement
15/10/2007	Quarterly Activities Report
16/10/2007	Notice of Annual General Meeting and Proxy Form
30/10/2007	Annual Report to Shareholders
15/11/2007	Results of Annual General Meeting
15/11/2007	Appendix 5B
17/12/2007	Appendix 5B
15/01/2008	Appendix 5B
31/01/2008	Quarterly Activities Report and Cashflow Report
15/02/2008	Monthly Financials
18/02/2008	Trading Halt
19/02/2008	Settlement of Federal Court Proceedings Against Oxus Gold
19/02/2008	IMF: Litigation Settlement
21/02/2008	Ceasing to be a substantial holder
26/02/2008	Ceasing to be a substantial holder
27/02/2008	Becoming a substantial holder
03/03/2008	Ceasing to be a substantial holder
14/03/2008	Half Yearly Report and Accounts
17/03/2008	Monthly Financials
02/04/2008	Settlement with Oxus Gold
15/04/2008	Quarterly Activities Report
09/05/2008	Settlement with Oxus Gold Plc
15/05/2008	Monthly Financials
22/05/2008	Settlement with Oxus Gold Plc
05/06/2008	Becoming a substantial holder of GTX
16/06/2008	Monthly Financials
24/06/2008	Non-renounceable rights issue, share consolidation and cancellation of AIM listing

## **5.11 Privacy**

The Application Form accompanying this Prospectus requires you to provide information that may be personal information for the purposes of the *Privacy Act 1988 (Cth) (as amended)*. The Company (and its share registry on behalf of the Company) may collect, hold and use that personal information in order to assess your Entitlement, service your needs as a Shareholder and provide facilities and services that you request and to administer the Company.

If you do not provide the information requested of you in the Application Form, the Company and the Share Registry may not be able to process your Application or administer your holding of Shares appropriately.

The Company may disclose your personal information for purposes related to your investment to the Company's agents and service providers. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising, on the Shares and for associated actions.

The Company complies with its legal obligations under the *Privacy Act 1988 (Cth) (as amended)*.

You may request access to your personal information held by (or on behalf of) the Company. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. You can request access to your personal information by writing to or telephoning the Share Registry.

## **5.12 Placement Offer**

Pursuant to this Prospectus the Company is offering, subject to Shareholder approval, 3,500,000 unlisted free Options each with an issue price of \$1.00 and an expiry date of 30 June 2014 (post consolidation of capital), to investors who participated in the placement on or about 4 August 2006 (the placement was undertaken at \$0.05 per Share on the basis that one free attaching option per Share be issued) and 500,000 unlisted free Options each with an issue price of \$1.00 and with an expiry date of 30 June 2014 (post consolidation of capital), to entities associated with Mr Peter Gunzburg in relation to the conversion of debts (on the same basis as the placement) owed by the Company to Mr Gunzburg in July 2006 (together the Placement Offer).

Although Shareholders approved the issue of Shares and Options (on identical terms other than the Option expiry date was originally 30 June 2009) in relation to the Placement Offer, for various reasons the free attaching Options were not issued. The Company is now offering under this Prospectus those parties the free attaching Options.

Application for Options under the Placement Offer can be made by completing and returning the Application Form (which the Company will provide with a copy of this Prospectus) to Eurogold Limited, Level 1, and 173 Mounts Bay Road Perth WA 6000. Only the person who receives an Application Form for the Placement Offer is entitled to apply for Options under the Placement Offer.

## **5.13 Directors' interests**

Except as disclosed in this Prospectus, no Director or proposed director or promoter of the Company, and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

### Directors' interests in Company securities

No Director or proposed director as at the date of this Prospectus has a relevant interest in any securities of the Company other than as set out below:

Director	Shares	Options	Shares Entitlement
Peter Gunzburg	31,746,879	2,000,000	31,746,879
Brett Montgomery	3,000,000	-	3,000,000
Neil MacLachlan	2,550,000	2,000,000	2,550,000

### Options

- (1) Unlisted Director Options to subscribe for Shares were issued to Directors Peter Gunzburg and Neil MacLachlan and are exercisable at \$0.03 on or before 10 August 2010.

### Remuneration of Directors

The Company's Constitution and ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting or, until so determined, as the Directors resolve.

Directors have received the following remuneration for the period from 1 July 2007 to 31 May 2008:

Director	Salary, fees and Superannuation (\$)	Value of Options issued <sup>(1)</sup> (\$)	Total (\$)
Peter Gunzburg	167,294	22,838	190,132
Brett Montgomery	22,917	0	22,917
Neil MacLachlan	0	22,838	22,838

- (1) 2,000,000 Options were granted to each of Mr Peter Gunzburg and Mr Neil MacLachlan in lieu of salary and directors fees.

## 5.14 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter, underwriter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offers or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or

- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offers.

Hardy Bowen has acted as lawyers to the Company in relation to the Offer and will receive approximately \$10,000 (not including GST) for legal services rendered to the Company in connection with the Offer. In the past two years Hardy Bowen has received \$152,580 for the provision of legal services to the Company.

The Underwriter and Sub-underwriter have agreed to fully underwrite and sub underwrite (respectively) the Offer. See section 5.6 for further information in relation to the underwriting agreement.

## **5.15 Estimated expenses of Issue**

The total expenses of the Offer, including underwriting fee, ASIC lodgement fee, ASX quotation fee, legal and preparation fees, printing, mailing and share registry expenses, are expected to be approximately \$458,925.

## **5.16 Consents**

Each of the consents referred to in this Section 5.16 has been given in accordance with the Corporations Act and has not been withdrawn as at the date of lodgement of this Prospectus with ASIC.

Hardy Bowen have given, and have not withdrawn, their written consent to being named in this Prospectus as lawyers to the Company. Hardy Bowen have not authorised or caused the issue of this Prospectus or the making of the Offer. Hardy Bowen make no representation regarding, and to the extent permitted by law expressly exclude any responsibility for, any statements in or omissions from any part of this Prospectus.

RFC Corporate Finance Limited has given, and has not withdrawn, its written consent to being named in this Prospectus as Underwriter to the Offer. The Underwriter have not authorised or caused the issue of this Prospectus or the making of the Offer. The Underwriter makes no representation regarding, and to the extent permitted by law excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

Computershare Investor Services Pty Ltd has given, and has not withdrawn, its written consent to being named in this Prospectus as the Company's share registry. Computershare Investor Services Pty Ltd has not authorised or caused the issue of this Prospectus or the making of the Offers. Computershare Investor Services Pty Ltd makes no representation regarding, and to the extent permitted by law expressly excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

## 6. Directors' statement and consent

This Prospectus is issued by Eurogold Limited. The issue of this Prospectus has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each of the Directors of the Company has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed by Peter Gunzburg on behalf of all the Directors.



Peter Gunzburg  
Executive Director





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## 7. Glossary of terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

<b>APRL</b>	Allied Properties Resources Limited (a company registered in British Virgin Islands)
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASTC</b>	ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532
<b>ASTC Settlement Rules</b>	The operating rules of ASTC, except to the extent of any relief given by ASTC
<b>ASX</b>	ASX Limited ACN 008 129 164
<b>Applicant</b>	A person who submits an Application Form(s)
<b>Application Form</b>	An application form attached to this Prospectus including an Entitlement and Acceptance Form
<b>Application Monies</b>	Application monies for Shares received by the Company
<b>CHESS</b>	ASX Clearing House Electronic Sub-registry System
<b>Closing Date</b>	The date identified as such in the proposed timetable
<b>Company or Eurogold</b>	Eurogold Limited ABN 58 009 070 384 and its Related Bodies Corporate as the context requires
<b>Constitution</b>	The Constitution of the Company as at the date of this Prospectus
<b>Corporations Act</b>	Corporations Act 2001 (Cth)
<b>Directors</b>	The Directors of the Company as at the date of this Prospectus
<b>Entitlement</b>	The entitlement of Shareholders to Shares pursuant to the Offer.
<b>Entitlement and Acceptance Form(s)</b>	The entitlement and acceptance form attached to this Prospectus that sets out the Entitlement of Shareholders to subscribe for Shares pursuant to the Offer.
<b>Issuer Sponsored</b>	Securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
<b>Listing Rules</b>	The Listing Rules of ASX.
<b>Offer</b>	The offer set out in Section 1.1.
<b>Official Quotation</b>	Quotation of Securities on the official list of ASX.
<b>Options</b>	The right to acquire one ordinary fully paid Share in the capital of the Company
<b>Optionholder</b>	A holder of Options
<b>Placement Offer</b>	The offer of Options set out in Section 5.12
<b>Prospectus</b>	This Prospectus.
<b>Record Date</b>	5:00pm (WST) on the date identified in the proposed timetable.

<b>Section</b>	A section of this Prospectus.
<b>Securities</b>	Shares and/or Options as the case may be.
<b>Securityholder</b>	The holder of Securities.
<b>Shares</b>	Fully paid ordinary shares in the capital of the Company.
<b>Share Registry</b>	The Company's share registry, being Computershare Investor Services Pty Ltd.
<b>Shareholder</b>	A holder of Shares.
<b>Shortfall</b>	Those Shares under the Offer not applied for by Shareholders.
<b>Sub-underwriter</b>	Sun Hung Kai Investment Services Ld
<b>Underwriter</b>	RFC Corporate Finance Ltd ACN 009 153 888.
<b>\$ or A\$</b>	Australian dollars.