



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

31 December 2010

ASX "EUG"

SECURITIES TRADING POLICY

In accordance with ASX Listing Rules 12.9 to 12.11 which takes effect from 1 January 2011, attached is the Company's Security Trading Policy.

Pauline Collinson
Company Secretary
Eurogold Limited

1) INTRODUCTION

Eurogold Limited is committed to ensuring that all Directors, Executives (Key Personnel), Employees, Spouses and Dependents, Contractors and Agents (Relevant Persons) comply with their legal obligations when dealing in the Company's securities as well as conducting business in a transparent and ethical manner.

2) PURPOSE

The purpose of this Policy is to:

- i) explain the type of conduct in relation to dealings in listed securities that is prohibited under the Corporations Act which applies to all Key Personnel Relevant Persons and, in certain circumstances agents of the Company; and
- ii) establish a best practice procedure relating to buying and selling listed securities that provides protection to the Company and all Key Personnel and Relevant Persons and agents against the misuse of unpublished information which could materially affect the value of the Securities.

The Company aims to achieve the highest possible standards of corporate conduct and governance. Accordingly, the Board considers that compliance with this policy is essential to ensure that the highest standards of conduct are being met by all Key Personnel and Relevant Persons and agents of the Company.

Any non-compliance with this Policy will be regarded as serious misconduct which will entitle the Company to take corrective disciplinary action, including termination.

The Policy does not prevent Key Personnel and Relevant Persons from participating in any distribution reinvestment plan, share plan or public offer (Passive Trades) made by the Company, provided that at the time the individual elects to participate, he/she is not in possession of any Price Sensitive information. Further, once an election has been made to participate in a Passive Trade the individual may not subsequently vary that election until such time as they are again not in possession of such information.

Price Sensitive information is information which is not generally available and which a reasonable person would expect that if the information were disclosed it would have a material effect on the price of the Securities and it would therefore influence investors in deciding whether or not to buy, hold or sell Securities issued by the Company.

3) DISCRETION TO VARY SECURITIES TRADING POLICY

The Company may in its discretion vary this Policy in relation to any time period or prohibition by general or specific announcement.

4) INSIDER TRADING

At all times Key Personnel and Relevant Persons are prohibited from trading in Securities while in possession of unpublished price sensitive information.

This prohibition applies even during periods when trading windows are permitted under this Policy if a person is in possession of price sensitive information. In addition, to not being able to deal, the person in possession of the price sensitive information has an obligation to keep that information confidential and must not communicate it to another person unless it is information which is required to be brought to the attention of the Company Secretary.

Insider Trading is a criminal offence which may also result in civil liability. In broad terms a person will be guilty of insider trading if:

- that person possesses price sensitive information which is not generally available to the market;
- that person buys, holds or sells securities in the Company or procures another person to do so; or
- passes that information onto a third party who would be likely to buy, hold, sell or procure someone else to do so.

All Key Personnel and Relevant Persons are bound as a condition of their employment to comply with and observe this Policy and the restrictions that apply in addition to the general prohibitions detailed in this Policy.

5) CLOSE OUT PERIODS

A Close Out period operates in respect of which Key Personnel and Relevant Persons must refrain from dealing in the Company's Securities during the 2 week period prior to release of the quarterly, interim and full year results. All holders of executive options are automatically regarded as being subject to this closed season restriction.

The Company may in its discretion nominate additional close out periods. These may be required where additional disclosure documents are released offering securities or as a result of certain disclosures being lodged with the ASX.

6) SHORT TERM TRADING

Key Personnel and Relevant Persons must not deal in Securities issued by the Company or its entities for short term gain. Speculating in short term fluctuation in such securities does not promote security holder and market confidence in the integrity of the Company. It is the responsibility of the Board of Directors to establish appropriate controls with regard to Director and Employee trading in securities issued by the Company or its entities. However, the sale of shares immediately after they have been acquired through the conversion of a security (eg: exercise of an option) will not be regarded as short term trading.

7) DIRECTORS, EXECUTIVES AND EMPLOYEES TRADING

A Director or Executive (Key Personnel as determined by the Board of the Company) may not deal in the Company Securities without the prior written approval of the Chairman before commencing the transaction. A Director or Executive must also provide the Chairman and Company Secretary with subsequent confirmation of the trading that has occurred.

Prudence will dictate that dealings should generally be limited to the recommended times referred to above under the heading "Closed Period" and that the Board will generally refuse consent to deal in the Company Securities outside these recommended times unless special circumstances exist (such as financial hardship). In any event, the Director or Executive should not deal in the Company Securities at any time if the Director or Executive is in possession of any inside information relating to those securities.

Employees (other than Executives) may deal in the Company Securities at any time if the Employee notifies the Chairman in writing before commencing the transaction and after the transaction has occurred, providing confirmation of the trading to the Company Secretary. Employees are strongly advised to limit dealing in the Company Securities to the recommended timing referred to above under the heading "trading embargo". In any event, the Employees must not deal in the Company Securities at any time if the Employee is in possession of any inside information relating to those securities.

8) CONSEQUENCES OF BREACH

Strict compliance with this Policy is mandatory for all persons covered under this Policy. Breach of the Policy may damage the Company's reputation in the investment community and undermine confidence in the market for the Company's Securities. Accordingly, breaches will be taken very seriously by the Company and will be subject to disciplinary action, including possible termination of a person's employment or appointment.