



Results for the Quarter Ended 31 December 2006

31 January 2007

ASX/AIM: "EUG"

CORPORATE

During the quarter Eurogold Limited announced that it had entered into an agreement for the sale of its Saulyak Gold Project in Ukraine to Dragon Mining NL. The all scrip transaction will involve approximately 80 million Dragon shares being issued to Eurogold as consideration, representing the equivalent of 1 Dragon share for every 4 Eurogold shares. The value of the transaction, based on a Dragon share price of A\$0.16 per share, is approximately A\$13m or A\$0.04 per Eurogold share. Eurogold has also announced its intention that between 6 and 12 months after completion of the sale Eurogold will distribute the Dragon shares in specie to Eurogold's shareholders.

Dragon has also provided a working capital loan of up to approximately US\$2 million to Eurogold. Full details of the loan are in Eurogold's announcement made on 21 December 2006.

During the quarter a design project for the execution of underground works aimed at satisfying the exploration license conditions was completed by the Ukrainian design institute Kryvbasproekt and approved in principle by the Transcarpathian "expertise" review panel.

Also During the quarter Saulyak LLC received a "temporary mine closure" order from the Ministry of Environmental Protection of the Ukraine which coincided with the 1 month Christmas closure of the mine. The reasons given for the closure have only a tenuous link to environmental protection and are not, in Eurogold's opinion, substantive.

Furthermore Eurogold's advice is that the reasons given for the closure are without legal foundation and if the issues are not resolved quickly court action will be commenced by Saulyak LLC. Dragon Mining have been kept fully informed of these latest developments.

On 22 December 2006 the Company announced that it has entered into an agreement with IMF (Australia) Limited under which IMF will fund the ongoing Australian Federal Court proceedings that Eurogold Limited and Eurogold Holdings (Bermuda) Limited have commenced against Oxus Holdings (Malta) Limited and Oxus Gold Plc.

TRANS GOLD AND EXPLORER

As announced on 21 December 2006 the liquidator for Transgold and Explorer accepted an offer of US\$7.3m for the 2 companies. The successful bidder was a joint venture between Oxus Gold Plc and KazahkGold Group Ltd. The bulk of the proceeds from this liquidation will be used to repay loans from Dragon Mining as previously announced and are expected to be received this quarter.

PETER GUNZBURG

Executive Chairman

Appendix 5B

Mining Exploration Entity Quarterly Report

Origin: Appendix 8

Name of Entity

EUROGOLD LIMITED ("EUG")

ABN

009 070 384 -002

Quarter Ended ("Current Quarter")

31 December 2006

Consolidated Statement of Cash Flows

Cash Flows Related to Operating Activities	Current Quarter	Year to Date (6 Months)
	\$A'000	\$A'000
1.1 Receipts from product sales and related debtors	0	0
1.2 Payments for (a) exploration and evaluation	(157)	(387)
(b) development	(100)	(145)
(c) production	0	0
(d) administration	(667)	(1,804)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	2	12
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other – (Tax/VAT)	45	50
Net Operating Cash Flows	(877)	(2,274)
Cash Flows Related to Investing Activities		
1.8 Payment for purchases of: (a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	(22)
1.9 Proceeds from sale of: (a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	0
1.10 Loans to other entities	0	0
1.11 Loans repaid by other entities	0	0
1.12 Other-	0	0
Net Investing Cash Flows	(0)	(22)
1.13 Total operating and investing cash flows (carried forward)	(877)	(2,296)

1.13	Total operating and investing cash flows (brought forward)	(877)	(2,296)
	Cash Flows Related to Financing Activities		
1.14	Proceeds from issues of shares, options, etc.	0	1,727
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	734	833
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (Capital Raising Costs)	0	0
	Net Financing Cash Flows	734	2,560
	Net Increase (Decrease) in Cash Held	(143)	264
1.20	Cash at beginning of quarter/year to date	519	98
1.21	Exchange rate adjustments to 1.20	(41)	(29)
1.22	Cash at End of Quarter	333	333

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	28
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Salaries, superannuation contributions, consulting and directors fees paid to Directors.

Non-Cash Financing and Investing Activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing Facilities Available

Add notes as necessary for an understanding of the position.

	Amount Available \$A'000	Amount Used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

Estimated Cash Outflows for Next Quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	50
Total	300

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	333	519
5.2 Deposits at call	0	0
5.3 Bank overdraft	0	0
5.4 Other	0	0
Total: Cash at End of Quarter (item 1.22)	333	519

Changes in Interests in Mining Tenements

Tenement Reference	Nature of Interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	No changes in Interests	nil	nil
6.2 Interests in mining tenements acquired or increased	No changes in Interests	-	-

Issued and Quoted Securities at End of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Number Issued	Number Quoted	Issue Price Per Security (cents)	Amount Paid Up Per Security (cents)
7.1 Preference + securities <i>(description)</i>	Nil	Nil	N/Applicable	N/Applicable
7.2 Issued during quarter	-	Nil	N/Applicable	N/Applicable
7.3 +Ordinary Securities	319,679,494	319,679,494	N/Applicable	N/Applicable
7.4 Issued during quarter	5,000,000	5,000,000	Issued in repayment of loan	N/Applicable
7.5 +Convertible Debt Securities <i>(description)</i>	Nil	Nil	N/Applicable	N/Applicable
7.6 Issued during quarter	Nil	Nil	N/Applicable	N/Applicable
7.7 Options <i>(description)</i>	2,000,000 <i>(unquoted Facilitator options)</i>	Nil	Exercise Price \$0.30	Exercise Date 31 March 2007
7.8 Issued during quarter	Nil	Nil	Nil	Nil
7.9 Exercised during quarter	Nil	Nil	Nil	Nil
7.10 Expired during quarter	Nil	Nil	N/Applicable	N/Applicable
7.11 Debentures <i>(totals only)</i>	Nil	Nil		
7.12 Unsecured Notes <i>(totals only)</i>	Nil	Nil		

Compliance Statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

P Gunzburg
Chairman

Date: 31 January 2007

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of Interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and Quoted Securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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