



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

24 June 2008

ASX & AIM Symbol "EUG"

**NON-RENOUNCEABLE RIGHTS ISSUE, SHARE CONSOLIDATION AND
CANCELLATION OF AIM LISTING**

- Eurogold Limited ("Eurogold") is pleased to announce an underwritten non-renounceable rights issue (Rights Issue) of one new Share for every one Share held to raise approximately \$9.6 million before costs.
- The funds raised from the Rights Issue will expand the range and size of investment opportunities that Eurogold can pursue.
- Eurogold also proposes to cancel its listing on the AIM market and to seek shareholder approval to consolidate its share capital on a 10:1 basis.

Non-Renounceable Rights Issue

Eurogold is pleased to announce a non-renounceable Rights Issue to raise a maximum of \$9,590,385 before costs. The Rights Issue will offer one new Share for every one Share held on the Record Date at an issue price of \$0.03 per share.

The Rights Issue is being fully underwritten by RFC Corporate Finance Ltd and sub-underwritten by Sun Hung Kai Investment Services Ltd (subject to formal documentation).

A prospectus for the Rights Issue, which will include a timetable of key dates, is currently being finalized and is expected to be released to the market and despatched to shareholders during the next week. An ASX Appendix 3B in relation to the rights issue is attached to this announcement.

Proposed Share Consolidation and General Meeting

Eurogold also proposes to seek shareholder approval for a 10:1 consolidation of its share capital. A general meeting of shareholders is proposed to be held prior to the end of July 2008 for this purpose. A notice of meeting is expected to be released to the market and despatched to shareholders during the next week. The Rights Issue will be completed prior to the consolidation of capital taking effect.

At the same meeting, Eurogold intends to also seek shareholder approval for the issue of 3,500,000 Options exercisable at \$1.00 (on a post consolidation basis) with an expiry date of 30 June 2014 to shareholders who participated in a placement in July 2006 and the issue of a further 500,000 of such Options to entities associated with Mr Peter Gunzburg in relation to the conversion of debts owed by the Company to Mr Gunzburg in July 2006. Shareholders previously approved the issue of Options (on identical terms to the new Options other than for an expiry date of 30 June 2009) in relation to both the July 2006 placement and the conversion of debts owed to Mr Gunzburg. However, for various reasons such Options were not issued. Eurogold is required to seek shareholder approval again to grant the Options given the extended expiry date and so that their issue does not affect its 15% placement capacity.

Consolidated Share Capital and Funding Position

After the proposed 10:1 share consolidation the Company will have approximately 64 million shares on issue and cash and listed investments of approximately \$15.7 million (equating to approximately 25 cents per share).

The Company also has a contingent receivable of US\$3 million (equating to approximately 5 cents per share) due from Resource Invest LLC (RIL) when a regulatory milestone relating to the advancement of the Saulyak Gold Project in the Ukraine, previously sold by Eurogold to RIL, is met.

Use of Funds and Future Investment Strategy

In a general meeting of Shareholders held on 10 July 2007 and following the disposal of its projects, the Directors advised that the Company would become a strategic investment company. As an 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.

To that end, the Company has previously announced that it has acquired a 19.89% interest in the ASX listed gold explorer, Golden Tiger Mining NL. Golden Tiger has several gold exploration projects in Guangxi Province in southern China which have delivered some very encouraging exploration results to date.

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

Cancellation of AIM Listing

Eurogold is currently listed on both the ASX and on the AIM Market of the London Stock Exchange. However, as a result of selling its previous main undertaking, the Saulyak gold project, Eurogold was due to be suspended from AIM on 10 July 2008 and would have had a further 6 months in which to complete a "reverse takeover" transaction or otherwise have its AIM listing cancelled.

Given this situation and the ongoing costs (of around \$150,000 per annum) of maintaining the AIM listing, Eurogold has therefore sought to cancel its AIM listing. The cancellation will take effect at 7am UK time on Thursday 24 July 2008 with the last day of trading of Eurogold shares on AIM being on 23 July 2008. In light of the cancellation on 24 July 2008 the AIM suspension on 10 July 2008 will now no longer occur.

All shareholdings held through Eurogold's UK share registry will be migrated to Eurogold's Australian share register (managed by Computershare) immediately following the cancellation date. However, shareholders may elect to transfer their holding before such date if they choose. A letter will be sent to holders on the UK share registry providing further details on this process.

Peter Gunzburg
Chairman

For further information, please contact:

Peter Gunzburg – Managing Director – Ph: +61 8 9481 0572, Email: peter@eurogold.com.au

RFC Corporate Finance Ltd acts as Eurogold's Nominated Adviser

Contact: Stuart Laing – Ph: +61 8 9480 2506, Email: stuartl@rfc.com.au

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

EUROGOLD LIMITED

ABN

58 009 070 384

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | 1) Ordinary Shares
2) Unlisted Options @ \$1.00 expiring 30 June 2014(post consolidation) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1) 319,679,494 Ordinary Shares (based on no unlisted options being exercised)
(Post Consolidation 31,967,949)
2) 4,000,000 Options @ \$1.00 expiring 30 June 2014 (post consolidation) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1) Rank Equally
2) Unlisted Options @ \$1.00 expiring on 30 June 2014 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Ordinary shares issued to rank equally with shares already quoted</p>						
<p>5 Issue price or consideration</p>	<p>1) \$0.03 2) Nil</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To raise funds to allow the Company to expand the range and size of investments, and to meet the cost of the Rights Issue including payments to the Underwriter, legal fees, ASX and ASIC etc.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>1) Anticipated 01 August 2008 2) Anticipated 01 August 2008</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="694 1556 997 1601">Number</th> <th data-bbox="997 1556 1291 1601">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="694 1601 997 1713">Pre-Consolidation 639,358,988</td> <td data-bbox="997 1601 1291 1713">Ordinary</td> </tr> <tr> <td data-bbox="694 1713 997 1836">Post Consolidation 63,935,898</td> <td data-bbox="997 1713 1291 1836">Ordinary</td> </tr> </tbody> </table>	Number	+Class	Pre-Consolidation 639,358,988	Ordinary	Post Consolidation 63,935,898	Ordinary
Number	+Class						
Pre-Consolidation 639,358,988	Ordinary						
Post Consolidation 63,935,898	Ordinary						

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Pre-Consolidation 4,000,000	Unlisted Director Options @ \$0.03 expiry 10/08/2008
	Post Consolidation 400,000	Unlisted Director Options @ \$0.30 expiry 10/08/2010
	4,000,000	Unlisted Options @ \$1.00 expiry 30/06/2014
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not Applicable	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non-renounceable
13 Ratio in which the +securities will be offered	1 new Share for every one Share held
14 +Class of +securities to which the offer relates	Ordinary Shares
15 +Record date to determine entitlements	Anticipated 8 July 2008
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	If applicable
17 Policy for deciding entitlements in relation to fractions	Rounded Down

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>18 Names of countries in which the entity has +security holders who will not be sent new issue documents</p> <p>Note: Security holders must be told how their entitlements are to be dealt with.</p> <p>Cross reference: rule 7.7.</p>	<p>Offer to be made only to Australian and New Zealand Holders</p>
<p>19 Closing date for receipt of acceptances or renunciations</p>	<p>Anticipated 25 July 2008</p>
<p>20 Names of any underwriters</p>	<p>Underwriter RFC Corporate Finance Ltd Sub-Underwriter Sun Hung Kai Investment Services Ltd (Client Katong Assets Ltd A/C)</p>
<p>21 Amount of any underwriting fee or commission</p>	<p>4% percent</p>
<p>22 Names of any brokers to the issue</p>	<p>Not Applicable</p>
<p>23 Fee or commission payable to the broker to the issue</p>	<p>Not Applicable</p>
<p>24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders</p>	<p>Not Applicable</p>
<p>25 If the issue is contingent on +security holders' approval, the date of the meeting</p>	<p>Not Applicable</p>
<p>26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled</p>	<p>Anticipated 11 July 2008</p>
<p>27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders</p>	<p>Not Applicable</p>
<p>28 Date rights trading will begin (if applicable)</p>	<p>Not Applicable</p>

+ See chapter 19 for defined terms.

29	Date rights trading will end (if applicable)	Not Applicable
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	+Despatch date	Anticipated 1 August 2008

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Item 1 of Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

+securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

+ See chapter 19 for defined terms.

42 Number and ⁺class of all
⁺securities quoted on ASX
(including the securities in clause
38)

Number	⁺ Class

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: P Collinson
Company Secretary

Date: 24 June 2008

Print name:

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