



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

19 February 2008

ASX & AIM Symbol "EUG"

**Settlement of Federal Court Proceedings
against Oxus Gold**

Eurogold Limited ("Eurogold") and its wholly owned subsidiary Eurogold Holdings (Bermuda) Limited ("EHBL") has agreed with Oxus Holdings (Malta) Limited ("OHML") and Oxus Gold Plc ("Oxus") to settle the proceedings commenced in 2006 by Eurogold and EHBL.

As previously announced Eurogold and EHBL commenced proceedings against Oxus and OHML for damages arising from the termination by OHML and Oxus of the Asset Sale Agreement entered into on 30 April 2006 for the sale of Eurogold's Ukrainian gold assets.

Without accepting any liability Oxus has agreed to settle the dispute and pay Eurogold A\$7,950,000 made up of cash of approximately A\$6,780,000 and Oxus shares to the value of approximately A\$1,170,000.

Of the cash component A\$5,060,000 is payable on or before 31 March 2008 and the balance of A\$1.72 million by 6 May 2008.

IMF Australia (Limited)

On 22 December 2006 Eurogold entered into an agreement with IMF (Australia) Limited ("IMF") under which IMF funded the Australian Federal Court proceeding against Oxus. Under the terms of the agreement IMF are entitled to receive 30% of the total proceedings received from the settlement.

Resource Invest LLC

In July 2007 Eurogold disposed of its Ukrainian gold mining assets to Resource Invest LLC ("RIL") for US\$5 million. US\$2 million has been received and the balance of US\$3 million is due from RIL upon a regulatory milestone relating to the advancement of the Saulyak Gold Project being met.

Upon receipt of the US\$3,000,000 from RIL, settlement with Oxus and after payment to IMF, the Company's cash position will be approximately A\$10,000,000. The Company's combined cash and Oxus share holding value will be approximately 3.5 cents per share (based on today's price of Oxus shares).

The Directors' continue to pursue new investment opportunities.

Peter Gunzburg
Chairman

For further information, please contact:

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