
EUROGOLD LIMITED

ACN 009 070 384

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at Level 1, 173 Mounts Bay Road, Perth, Western Australia on 10 July 2007 at 10am.

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9481 0572.

EUROGOLD LIMITED

ACN 009 070 384

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of shareholders of Eurogold Limited ("**Company**") will be held at Level 1, 173 Mounts Bay Road,, Perth, Western Australia on 10 July 2007 at 10am ("**Meeting**").

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form are part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on 8 July 2007 at 5.00pm.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Authorise Asset Sale Agreement

To consider, and if thought fit, to pass with or without amendment as an ordinary resolution the following:

"That, in accordance with AIM Rule 15, ASX Listing Rule 11.2 and for all other purposes, Shareholders approve and authorise the Company to:

- (a) *dispose of the Sale Assets pursuant to the Asset Sale Agreement between Resource Invest LLC , Eurogold Bermuda Limited and the Company dated 19 May 2007 ("**Asset Sale Agreement**");*
- (b) *become an investing company under the AIM Rules*

in accordance with the terms in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who is a party to the Asset Sale Agreement and might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 1 is passed, or any associates of such a person.

However, the Company will not disregard a vote if:

- (c) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

- (d) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Authorise Director Option Issue to Mr Peter Gunzburg

To consider and, if thought fit, to pass as an ordinary resolution with or without amendment the following:

"That, in accordance with Listing Rule 10.11, Chapter 2E and for all other purposes, Shareholders authorise and approve the issue of up to 2,000,000 Director Options to Peter Gunzburg on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Peter Gunzburg, a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or any associate of Peter Gunzburg.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Authorise Director Option Issue to Mr Neil MacLachlan

To consider and, if thought fit, to pass as an ordinary resolution with or without amendment the following:

"That, in accordance with Listing Rule 10.11, Chapter 2E and for all other purposes, Shareholders authorise and approve the issue of up to 2,000,000 Director Options to Neil MacLachlan on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Neil MacLachlan, a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or any associate of Neil MacLachlan.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Authorise Director Option Issue to Mr Brett Montgomery

To consider and, if thought fit, to pass as an ordinary resolution with or without amendment the following:

"That, in accordance with Listing Rule 10.11, Chapter 2E and for all other purposes, Shareholders authorise and approve the issue of up to 2,000,000 Director Options to Brett Montgomery on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Brett Montgomery, a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or any associate of Brett Montgomery.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD



Mrs Pauline Collinson
Company Secretary
Dated: 5 June 2007

EUROGOLD LIMITED

ACN 009 070 384

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held at Level 1, 173 Mounts Bay Road, Perth, Western Australia on 10 July 2007 at 10am.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. General

2.1 Introduction

The Company seeks Shareholder approval for the following:

- (a) The completion of the Asset Sale Agreement under which the Company:
 - (i) will in consideration for US\$5,000,000 (of which US\$3,000,000 is contingent upon meeting a key regulatory milestone relating to the advancement of the Saulyak Gold Project; which Eurogold cannot determine whether or when this will be satisfied), assign and sell the Sale Assets to RIL; and
 - (ii) become an investing company under the AIM Rules.
- (b) The issue of up to 2,000,000 Director Options to each of the Directors in lieu of (or in the case of Mr Gunzburg partly in lieu of) monetary compensation for acting as directors of Eurogold.

2.2 Eurogold Group

A corporate chart for the Eurogold Group is in Schedule 3. The main assets of the Eurogold Group are its 99.72% interest in the Saulyak Gold Project (which is held by SRL), the Debts and a loan owing by ZLLC to SRL.

Under the Asset Sale Agreement, the Eurogold Group will sell these assets to RIL.

2.3 Asset Sale Agreement

On 22 May 2007 the Company announced that it had entered into the Asset Sale Agreement. The material terms of the Asset Sale Agreement are as follows:

- (a) EBL sells all of its shares in SRL to RIL.

- (b) The Company assigns the Debts to RIL.
- (c) The consideration for the sale and assignment is US\$5,000,000 to be paid as follows.
 - (i) US\$2,000,000 upon completion of the Asset Sale Agreement.
 - (ii) US\$3,000,000 no later than 30 days after meeting a key regulatory milestone relating to the advancement of the Saulyak Gold Project.
- (d) RIL must by 2 June 2007 pay US\$2,000,000 to Eurogold's lawyers to be held pending satisfaction of the conditions precedent to completion.
- (e) Eurogold's right to receive US\$3,000,000 upon meeting a key regulatory milestone relating to the advancement of the Saulyak Gold Project is secured by a share pledge over all of the shares in SRL.
- (f) Eurogold appoints RIL as its agent to manage the business of SRL, as directed by Eurogold. RIL will advance up to US\$45,000 per month to meet SLLC's cash calls. These amounts may not be set off against the consideration payable to Eurogold or if the Asset Sale Agreement does not complete.
- (g) The Asset Sale Agreement is subject to certain conditions, including approval by the shareholders of Eurogold and RIL being reasonably satisfied with the Entity Due Diligence Documents.
- (h) Completion of the Asset Sale Agreement is to occur on the third Business Day after all condition precedents have been satisfied (due by 30 June 2007) or when the parties agree.
- (i) The Asset Sale Agreement contains limited warranties to the title of the Sale Assets.

2.4 Future of the Eurogold Group after completion of the Asset Sale Agreement

After completion of the Asset Sale Agreement:

- (a) the Eurogold Group will only comprise of Eurogold, 100% of EHLB and Esmeralda Mining Limited (which is in the process of being deregistered);
- (b) the Eurogold Group will have as its only asset \$US2,000,000, its right to US\$3,000,000 upon meeting a key regulatory milestone relating to the advancement of the Saulyak Gold Project (which Eurogold cannot determine whether or when this will be satisfied) and its claim against Oxus; and
- (c) Eurogold will become an investing company for the purposes of the AIM Rules.

Completion of the Asset Sale Agreement will not prejudice the prospects of Eurogold's claims against Oxus.

As an investing company, Eurogold will have to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 within twelve months of the Shareholders approving Resolution 1 (namely authorising the Asset Sale Agreement).

If the Company does not make an acquisition constituting a reverse takeover under the AIM Rules within this timeframe, its Shares will be automatically suspended from AIM. If it does not make such an acquisition within six months

from any such suspension, the London Stock Exchange will cancel the admission of its Shares on AIM.

2.5 Investing strategy going forward

As an investing company (on the basis the Asset Sale Agreement is approved by Shareholders and completed), Eurogold intends to actively seek out investment opportunities through the contacts, experience and knowledge of the Directors. Investment opportunities identified by the Company will be assessed on the following criteria:

- (a) natural resources sector (both minerals and energy) with the investment being potentially made in any part of the world;
- (b) an attractive entry price;
- (c) a favourable risk/reward equation with substantial potential upside; and
- (d) likely capital market support for the project.

It is expected that the Company will seek to acquire one significant project rather than make a spread of smaller investments.

The Directors are experienced in evaluating acquisition and investment opportunities in the natural resources sector and are able to call on independent expertise in the sector. The Company currently has a Board of Directors who between them have considerable investment and commercial expertise (full details of the Directors' experience and expertise are in Eurogold's July 2004 AIM Admission Document). The composition of the Board will be reviewed on a regular basis to ensure they have the appropriate mix of skills necessary for the objectives of the Company.

The Directors will consider causing the Company to return its funds to Shareholders in the event they are unable to secure a suitable investment within a period of eighteen months following the approval of the Asset Sale Agreement by Shareholders.

2.6 Advantages and disadvantages of the Asset Sale Agreement

The advantages and disadvantages of the Asset Sale Agreement are as follows:

- (a) Advantages:
 - (i) Corporate Strategy – Eurogold's corporate strategy is identifying undervalued natural resource projects and creating value for Shareholders by undertaking additional exploration and then on-selling the projects. Disposing the Sale Assets will allow Eurogold to acquire exploration projects consistent with Eurogold's corporate strategy.
 - (ii) Sovereign risk – The Ukrainian political scene is undergoing dramatic and constant change as it evolves from a communist to a free market economy and as a consequence there is still a degree of sovereign risk associated with the country.
 - (iii) RIL is better placed to pursue development of the Saulyak Gold Project – The development of the Saulyak Gold Project requires significant further capital and project development expertise. RIL is in a better position to fund and manage the development of the Saulyak Gold Project.

- (iv) Consideration – The Directors have extensively marketed the Sale Assets and are satisfied that the terms of the Asset Sale Agreement the best possible price attainable for the Sale Assets.
 - (v) Share price – Eurogold's Directors believe the Company's Share price is depressed for the following reasons:
 - (A) The liquidation of Transgold following the events of January 2000 when cyanide contaminated dam water at the Company's Transgold operations and its subsequent closure in January 2006 due to frozen water pipes.
 - (B) Termination by Oxus of agreements to acquire the Saulyak and Beregove Projects and misleading statements made by Oxus to the effect that:
 - (1) Eurogold had sought an extension of its licence to explore the Saulyak Gold Deposit from the Ukraine Authorities which had been refused; and
 - (2) the reserve of the Saulyak Gold Deposit was smaller in volume and grade than that reported to the ASX.
 - (C) Uncertainty over sovereign risk.
 - (vi) Ongoing funding of the Saulyak Gold Project – If the Asset Sale Agreement does not complete the Company will be required to raise additional capital to fund exploration work on the Saulyak Gold Project.
- (b) Disadvantages
- (i) Eurogold's only asset will be US\$2,000,000, its right to US\$3,000,000 upon meeting a key regulatory milestone relating to the advancement of the Saulyak Gold Project (which Eurogold cannot determine whether or when this will be satisfied) and its claim against Oxus and will have no direct exposure to resource assets. As a consequence Eurogold may be subject to additional ASX Listing Rule requirements.
 - (ii) Eurogold will become an investing company pursuant to the AIM Rules and as such will have a limited period to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 or face the possibility of having its Shares suspended from trading on AIM or its AIM Admission cancelled (refer to section 2.4).
 - (iii) There is a risk that the key regulatory milestone relating to the advancement of the Saulyak Gold Project may not be met and Eurogold may not receive US\$3,000,000.
 - (iv) There is a risk that Eurogold may not be able to locate and acquire suitable investment opportunities in the resources sector.

2.7 Proposed Option issue

At the Company's Annual General Meeting on 30 November 2006 Shareholders approved the issue of 35,000,000 Options with an exercise price of \$0.10 and an expiry date of 30 June 2009 to subscribers under the August 2006 Share Issue and 5,000,000 Shares each with one free attaching Options on the same terms to Mr Gunzburg.

Issue of the Options was subject to Eurogold lodging a prospectus with ASIC.

Following the Annual General Meeting the Company entered into the Asset Sale Agreement. As a consequence the Board has decided to delay lodging a prospectus, a requirement to the issue of the Options, until a suitable investment opportunity is found – meaning that no Options have been issued to subscribers under the August 2006 Share Issue (including Mr Gunzburg).

Eurogold will seek Shareholder approval to reconfirm the grant of 40,000,000 Options to subscribers under the August 2006 Share Issue (including Mr Gunzburg) and, if necessary, propose any change to the terms of the Options, when a suitable investment opportunity is found.

2.8 Directors' Recommendation

The Directors consider that having consulted with the Company's nominated adviser the terms of the Asset Sale Agreement are fair and reasonable insofar as the Shareholders are concerned, and recommend that Shareholders vote in favour of the Asset Sale Agreement by voting for Resolution 1.

3. Resolution 1 – Approve Asset Sale Agreement

3.1 Reason for Resolution 1

Resolution 1 seeks Shareholders' approval pursuant to AIM Rule 15 and ASX Listing Rule 11.2 for the Company to complete the Asset Sale Agreement, under which it will dispose of the Sale Assets.

AIM Rule 15 and ASX Listing Rule 11.2 restrict the Company's ability to dispose of its main undertaking without Shareholder approval.

The effect of passing Resolution 1 will be to:

- (a) allow the Company to dispose of its main undertaking to RIL by completing the Asset Sale Agreement without breaching AIM Rule 15 or ASX Listing Rule 11.2; and
- (b) cause the Company to become an investing company (as defined in the AIM Rules).

3.2 Specific Information Required by AIM Rule 15 and ASX Listing Rule 11.2

For the purposes of AIM Rule 15 and ASX Listing Rule 11.2, information regarding the Asset Sale Agreement is provided as follows:

- (a) This Explanatory Memorandum sets out:
 - (i) the effect of the Asset Sale Agreement on the Company; and
 - (ii) whether the Asset Sale Agreement is fair and reasonable to Shareholders.
- (b) A voting exclusion statement is included in the Notice.

4. Resolutions 2 to 4 – Authorise Issue of Director Options

4.1 Introduction

Eurogold's Directors, Messrs Peter Gunzburg, Neil MacLachlan and Brett Montgomery, receive remuneration of A\$200,000, GBP15,000 and A\$25,000 (plus GST) respectively. To minimise cash expenditure, Eurogold proposes to offer 2,000,000

Director Options to each of the Directors in lieu of (or in the case of Mr Gunzburg partly in lieu of) monetary compensation for acting as directors of Eurogold. Each Director will have the choice of whether they accept the Director Options in lieu of (or in the case of Mr Gunzburg partly in lieu of) monetary compensation for acting as directors of Eurogold and they may not accept less than all of the Director Options offered to them.

Resolutions 4 to 6 seek Shareholder approval pursuant to Listing Rule 10.11 and Chapter 2E of the Corporations Act for Eurogold to grant 2,000,000 Director Options to each of the Directors in lieu of monetary compensation (or in the case of Mr Gunzburg in lieu of A\$100,000). Eurogold will rely on the exceptions in section 708 of the Corporations Act to offer the Directors Options without disclosure.

4.2 Reason for Resolutions 2 to 4

Shareholder approval is required under Listing Rule 10.11 and Chapter 2E of the Corporations Act because the Directors are related parties of the Company.

Listing Rule 10.11 and Chapter 2E of the Corporations Act restrict the Company's ability to issue equity securities to a Director, unless approval is obtained from the Shareholders. The effect of passing Resolutions 2 to 4 will be to allow Eurogold to offer, in lieu of monetary compensation (or in the case of Mr Gunzburg in lieu of A\$100,000), 2,000,000 Director Options each to the Directors during the month after the Meeting (or a longer period, if allowed by ASX) in compliance with Chapter 2E of the Corporations Act, without breaching ASX Listing Rule 10.11 or using up the Company's 15% placement capacity under ASX Listing Rule 7.1.

Shareholder approval is required under section 208 (contained in Chapter 3E) of the Corporations Act because the Directors are related parties of the Company. Whilst the issue of Director Options is in lieu of monetary payment for directors' fees, and therefore falls within the exceptions for the need to obtain Shareholder approval, the Directors consider that in the interests of good corporate governance, the matter is put to Shareholders.

Resolutions 2 to 4 are separate resolutions and are in no way dependent on each other.

4.3 Specific Information required by section 219 of the Corporations Act

For the purposes of section 219 of the Corporations Act the following information regarding the issue of Director Options is provided:

- (a) The related parties to whom Resolutions 2 to 4 would permit financial benefits to be given are Peter Gunzburg, Neil MacLachlan and Brett Montgomery.
- (b) The nature of the financial benefits are 2,000,000 Director Options each to Peter Gunzburg, Neil MacLachlan and Brett Montgomery.
- (c) The Directors have an interest in the outcome of Resolutions 2 to 4. Nevertheless they each recommend that Shareholders vote in favour of Resolutions 2 to 4 so that Eurogold will conserve cash.
- (d) A valuation of the Director Options has been obtained from BDO Kendalls Corporate Finance (WA) Pty Ltd, an independent expert.

This valuation imputes a value for Director Options to be issued to the Directors in accordance with Resolutions 2 to 4 as \$0.008 per Director Option or \$48,000 in total (prior to any adjustments for expected early exercise). The value may go up or down after the issue date as it will depend on the future price of a Share. The Binominal approach has been used, together with the following assumptions:

- (i) The date of valuation for the purposes of settling the current market value of a Director Option is 1 June 2007.
 - (ii) At 31 May 2007 the closing Share price was determined to be \$0.0.022 which is the price used in the valuation.
 - (iii) The volatility factor is set as 60% which is based on the average historical standard deviation of the Company to the All Ordinaries Index as provided by the Australian Graduate School of Management.
 - (iv) The Company has not forecast any future dividend payments. For the purposes of the valuation, it was assumed that the Company's share price is "ex-dividend".
 - (v) For the purposes of the valuation it was assumed that the Director Options will not be exercised any earlier than the expiration date.
 - (vi) The risk free rate used for the purposes of the valuation is the Commonwealth Government securities rate with a maturity date approximating that of the expiration period of the options, as at 1 June 2007 being 6.25% (Source: Reserve Bank of Australia).
- (e) The following table demonstrates the dilution of all other Shareholders' holdings in the Company, upon exercise of all Director Options issued to Directors in accordance with Resolutions 2 to 4:

Shares on issue at date of this Explanatory Memorandum	319,679,494
Shares issued assuming exercise of all Director Options under Resolutions 4 to 6	6,000,000
Dilution Effect of issues to related parties	0.01878%

- (f) The market price of Shares would normally determine whether the Directors will exercise the Director Options or not. If the Director Options are exercised at a price that is lower than the price at which Shares are trading on ASX, there may be a perceived cost to the Company.
- (g) No funds will be raised by the issue of the Director Options as they are being issued in consideration for Directors foregoing payment of directors' fees.
- (h) The Directors' remuneration (both current and if Resolutions 4 to 6 are passed) are as follows:

	Current remuneration	Following issue of Director Options ¹
Peter Gunzburg	Fees of \$200,000	Fees of \$100,000 plus 9% superannuation per annum 2,000,000 Director Options
Neil MacLachlan	Fees of GBP15,000	2,000,000 Director Options
Brett Montgomery	Fees of A\$25,000 plus GST	2,000,000 Director Options

¹ This assumes that each Director elects to accept Director Options in lieu of monetary payment for their directors' fees.

- (i) The Directors' interests in the Company (both current and if Resolutions 4 to 6 are passed) are as follows:

	Current interest	Following issue of Director Options ¹
Peter Gunzburg	31,746,879 Shares ²	31,746,879 Shares 2,000,000 Director Options
Neil MacLachlan	2,200,000 Shares	2,200,000 Shares 2,000,000 Director Options
Brett Montgomery	2,200,000 Shares	2,200,000 Shares 2,000,000 Director Options

¹ This assumes that each Director elects to accept Director Options in lieu of monetary payment for their directors' fees.

² Eurogold has also agreed to, subject to lodging a prospectus and shareholder approval, grant 40,000,000 Options to persons that subscribed for Shares in the August 2006 Share Issue. Mr Gunzburg is participated in the August 2006 Share Issue and (subject to Eurogold lodging a prospectus and shareholder approval) is entitled to be granted 5,000,000 Options. See Section 2.7 for details.

- (j) The trading history of the Company's Share price over the last 12 months as follows:

Highest	\$0.10
Lowest	\$0.017
Closing price on 31 May 2007	\$0.022

- (k) Other than the information above and otherwise set out in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 2 to 4.

4.4 Specific Information Required by ASX Listing Rule 10.13

For the purposes of ASX Listing Rule 10.13, information regarding the issue of Director Options is provided as follows:

- (a) The Director Options will be issued to Peter Gunzburg, Neil MacLachlan and Brett Montgomery, who are directors of the Company, or their nominees.
- (b) The maximum number of Director Options the Company can issue under Resolutions 4 to 6 is 6,000,000.
- (c) The Director Options will be issued progressively no later than one month after the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Director Options will be issued by the Company in consideration for the Directors acting as directors of Eurogold and in lieu of monetary payment for their directors' fees.
- (e) The terms of the Director Options are in Schedule 2 of the Explanatory Memorandum.

- (f) No funds will be raised by the issue of Director Options as the Director Options are being issued in lieu of Directors being paid directors' fees.
 - (g) A voting exclusion statement is included in the Notice.
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5. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Schedule 1 – Definitions

In this Explanatory Memorandum and Notice of General Meeting:

"AIM Rules" means the rules of AIM operated by the London Stock Exchange plc.

"Annual General Meeting" means the Company's annual general meeting held on 30 November 2006.

"August 2006 Share Issue" means the issue of 35,000,000 Shares on 4 August 2006.

"ASX" means Australian Securities Exchange Limited.

"ASX Listing Rules" means the Listing Rules of ASX.

"ASIC" means Australian Securities and Investments Commission.

"Asset Sale Agreement" has the meaning in Resolution 1.

"Beregove Project" means the prospective gold projects of Muzhievo and Kvasove adjacent to the town of Beregove in Ukraine, in relation to which ZLLC holds exploration and development rights and interests including (without limitation) all assets, infrastructure and improvements thereon.

"Board" means Directors of the Company.

"Business Day" has the meaning in the ASX Listing Rules.

"Chair" means the person appointed to chair the Meeting of the Company convened by this Notice.

"Company" and **"Eurogold"** means Eurogold Limited ACN 009 070 384.

"Constitution" means the Company's constitution.

"Corporate Chart" means the corporate chart in Schedule 3.

"Corporations Act" means the Corporations Act 2001 (Cth).

"Debts" means all of the debts owed by SRL and SLLC to the Company at the date of completion of the Asset Sale Agreement.

"Director Option" means an Option which entitles the holder to subscribe for one Share on the terms and conditions in Schedule 2.

"Directors" mean the directors of the Company.

"RIL" means Resource Invest LLC.

"EBL" means Eurogold (Bermuda) Limited.

"Entity Due Diligence Documents" means collectively the entity due diligence documents and information, namely formation documents, by-laws (or constitutions, operating agreements, or other governing instruments as applicable), good standing certificates and minute book documents (minutes, corporate resolutions, consents, etc.) of the Eurogold, EBL, SRL and SLLC.

"Eurogold Group" means the Eurogold group of companies as in the Corporate Chart.

"Explanatory Memorandum" means the explanatory memorandum to the Notice.

"Meeting" has the meaning given in the introductory paragraph of the Notice.

"Notice" means this notice of General Meeting.

"Options" means an option over an unissued Share.

"Oxus" means Oxus Gold PLC and its related entities.

"Proxy Form" means the proxy form attached to the Notice.

"Record Date" means the record date to determine Eligible Shareholders.

"Resolution" means a resolution referred to in this Notice.

"Sale Assets" means all of the fully paid ordinary shares in the capital of SRL held by EBL and the Debts.

"Saulyak Gold Project" means the prospective gold tenements and tenement applications in Ukraine including (without limitation) exploration and development rights, interests and licences actually held or applied for by SLLC pertaining to Saulyak and within a fifty (50) kilometre radius of the Saulyak adits and all assets, infrastructure and improvements thereon.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means a shareholder of the Company.

"SLLC" means Saulyak Limited Liability Company.

"SRL" means Saulyak Resources Limited.

"Transgold" means SC Transgold SA (liquidated).

"ZLLC" means Zakarpatpolymetaly Limited Liability Company.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 2 – Terms & Conditions of the Director Options

1. The exercise price of each Director Option is \$0.03 ("**Exercise Price**").
2. The Director Options will expire 3 years after the grant of the Director Option ("**Expiry Date**").
3. Unless agreed otherwise by Company and the Holder the Director Options will vest and may be exercised in whole or part prior to the Expiry Date:
 - (a) at any time after the 1st anniversary of the grant of the Director Option; or
 - (b) 100% of the Director Options any time during the following periods:
 - (i) the offer period within the meaning of section 624 of the Corporations Act in respect of a takeover bid for all of the fully paid ordinary shares in the capital of the Company ("**Shares**");
 - (ii) after an offer in respect of a takeover bid for all of the Shares is made on an unconditional basis or becomes unconditional,
 - (iii) after the Company has announced to ASX its agreement with another company or entity for an offer to be made for all of the Shares pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act; and
 - (iv) after the Company disposing of a major asset or undertaking.
4. Each Director Option exercised will entitle the Holder to one Share.
5. The Holder must complete a notice in the form determined by the Company's directors when exercising the Director Options ("**Notice of Exercise**").
6. Director Options may be exercised by the Holder completing and forwarding to the Company a Notice of Exercise and payment of the Exercise Price for each Director Option being exercised.
7. All Shares issued upon exercise of the Director Options will rank pari passu in all respects with the Company's then existing Shares.
8. The Holder cannot participate in new issues of securities to holders of Shares unless the Director Option has been exercised and the Share has been allotted and registered in respect of the Director Option before the record date for determining entitlements to the issue. The Company must give notice to the Holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules. Director Options can only be exercised in accordance with these terms and conditions.
9. If the Company makes a pro rata bonus issue of Shares to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allotted and registered in respect of the exercise of an Director Option before the record date for determining entitlements to the bonus issue, then the number of Shares or other securities for which the Holder is entitled to subscribe on exercise of the Director Option is increased by the number of Shares or other securities that the Holder would have received if the Director Option had been exercised before the record date for the bonus issue.
10. If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of

dividend reinvestment) the exercise price of a Director Option shall be reduced according to the following formula:

$$O' = \frac{E[P-(S+D)]}{N+1}$$

where: O' = the new exercise price of a Director Option.

O = the old exercise price of a Director Option.

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

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

S = the subscription price for a security under the pro-rata issue.

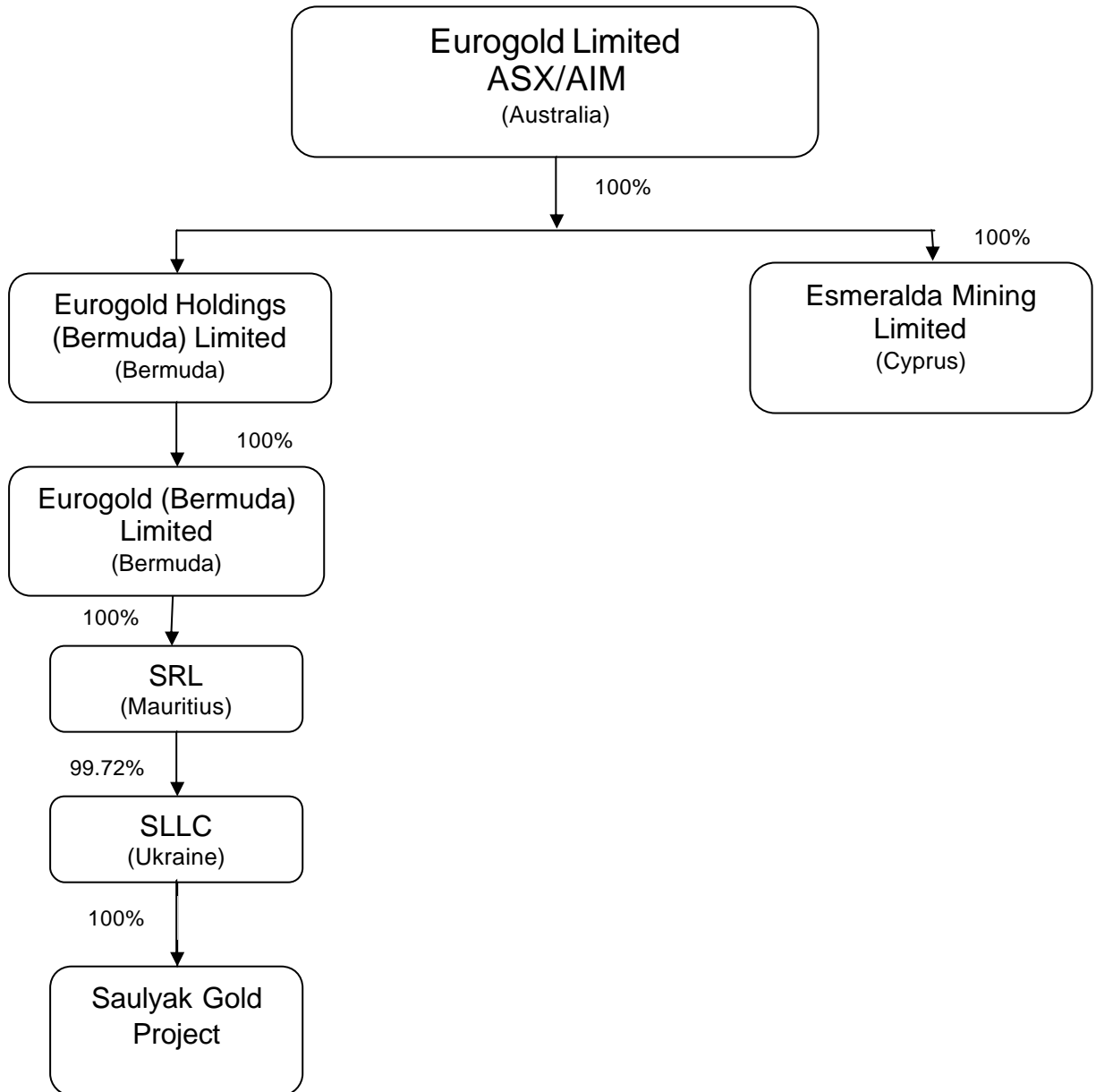
D = the dividend due but not yet paid under the existing underlying securities (except those to be issued under the pro rata issue).

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

11. In the event of any reorganisation of the issued ordinary capital of the Company (including consolidation, subdivision, reduction or return) the number of Shares attaching to each Director Option or the Exercise Price of a Director Option or both will be reorganised in the manner as specified in the ASX Listing Rules at the time of the reorganisation.
12. Subject to paragraphs 9, 10 and 11, the Exercise Price and the number of Shares to be issued on the exercise of Director Options will not change in the event of a new issue of securities by the Company.
13. The Company will give notice to each Holder of any adjustment to the number of Shares which the Holder is entitled to subscribe for or be issued on exercise of a Director Option or the Exercise Price of a Director Option in accordance with the ASX Listing Rules at that time.
14. Director Options are not transferable except that a legal personal representative of a Holder who has died or whose estate is liable to be dealt with under laws relating to mental health will be entitled to be registered as the Holder after the production to the Board of such documents or other evidence as the Board may reasonably require to establish that entitlement.
15. Shares allotted and issued pursuant to the exercise of Director Options will be allotted and issued not more than 15 business days after the receipt of a properly executed Notice of Exercise and payment for the Exercise Price of each Director Options being exercised. The Company will apply for official quotation on ASX of Shares issued pursuant to the exercise of Director Options.
16. Shares issued pursuant to the exercise of Director Options may not be offered for sale by the holder unless:
 - (a) the offer is made in circumstances that do not require disclosure to investors under Part 6D.2 of the Corporations Act; or
 - (b) one of the following occurs:

- (i) the Company gives ASX a notice that complies with section 708A(6) of the Corporations Act;
 - (ii) the Company lodges a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; or
 - (iii) expiry of 12 months after issue of the Shares.
17. After a Director Option is validly exercised the Company must use reasonable endeavours in accordance with section 708A(5)(e) of the Corporations Act to give ASX a written notice that complies with section 708A(6) of the Corporations Act.
18. Application will not be made for the official quotation on ASX of the Director Options.

Schedule 3 – Corporate Chart



EUROGOLD LIMITED

ACN 009 070 384

PROXY FORM

The Company Secretary
Eurogold Limited

By delivery:

Level 4
State One House
172 St Georges Terrace
PERTH WA 6000

By post:

PO Box 7493
Cloisters Square
PERTH WA 6850

By facsimile:

+61 8 9481 3586

I/We

1 _____

of _____

being a Shareholder/Shareholders of the Company and entitled to

_____ votes in the Company, hereby appoint ²

_____ or failing such appointment the chairman of the General Meeting as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 10am on 10 July 2007 (WST) at Level 1, 173 Mounts Bay Road, Perth, Western Australia and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * []% of the Shareholder's votes*/ [] of the Shareholder's votes (an additional Proxy Form will be supplied by the Company, on request).

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

IMPORTANT:

If the chairman of the general meeting is to be your proxy and you have not directed your proxy how to vote on Resolutions 1 to 4 please tick this box. By marking this box you acknowledge that the chairman of the general meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 4 and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the chairman of the general meeting will not cast your votes on Resolutions 1 to 4 and your votes will not be counted in computing the required majority if a poll is called on these Resolutions.

The chairman of the general meeting intends to vote undirected proxies in favour of each Resolution.

The proxy is to vote for or against the Resolution referred to in the Notice as follows :

		For	Against	Abstain
Resolution 1	Authorise Asset Sale Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Authorise Issue of Director Options to Mr Gunzburg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Authorise Issue of Director Options to Mr MacLachlan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Authorise Issue of Director Options to Mr Montgomery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

_____ Contact Name

_____ Contact Daytime Telephone

_____ Date

¹Insert name and address of Shareholder

²Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the General Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting. If the Shareholder is entitled to cast 2 or more votes at the General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Level 4, State One House, 172 St Georges Terrace, Perth, Western Australia or Facsimile (08) 9481 3586 if faxed from within Australia or +61 8 9481 3586 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the General Meeting (ie 10am on 7 July 2007).