



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

21 March 2007

ASX & AIM Symbol "EUG"

TERMINATION OF AGREEMENT TO PURCHASE SAULYAK GOLD PROJECT

Further to our announcement of 26 February 2007 Dragon Mining NL (Dragon) has advised Eurogold (EUG) that it will not be proceeding with the purchase of the Saulyak Gold mine.

In accordance with the Loan Agreement with Dragon, EUG will repay approximately \$960,000. from the liquidation proceeds of its Romanian Assets, namely Explorer and Transgold

The net proceeds from the Liquidator are expected to be approximately \$2.1m, of which \$100,000 from the liquidation of Explorer has already been received. The balance of proceeds are due this week following a decision in the Romanian courts on Monday dismissing an appeal by the Republic of Hungary against a decision that the Republic be excluded as a creditor to the Transgold Liquidation proceedings.

As advised in our announcement of 26 February EUG is in discussions with another party for the sale of the Saulyak Asset.

Eurogold has also commenced proceedings in Ukraine against the decision by the Ecological Department to invoke a temporary mine closure at Saulyak. These proceedings are due to commence this Thursday, 22 March 2007.

PETER GUNZBURG
Executive Chairman