



EUROGOLD LIMITED

(ACN 009 070 384)

7 February 2013

The Company Announcements Officer
Australian Securities Exchange
2 The Esplanade
Perth WA 6000

Dear Sir/Madam

PANEL DECLINES TO CONDUCT PROCEEDINGS

Eurogold Limited ("Eurogold" or the "Company") advises that the Takeovers Panel has declined to conduct proceedings on an application from Dragon Mining Limited ("Dragon") in relation to the notice from Eurogold requisitioning a meeting to remove the majority of directors of Dragon and appoint Mr Arthur Dew and Mr Brett Smith as directors.

Eurogold believes that the existing Dragon Board has not taken adequate and timely steps to develop and implement a clear strategy to reduce Dragon's costs and restructure its operations in the light of the major decline in the gold price in early 2013. The Company further believes that this lack of a clear policy and effective leadership constitutes a threat to the ongoing financial viability of Dragon.

In the Company's view Dragon and its Shareholders will benefit from the appointment of new Directors who will be in a position to further review Dragon's overall position.

The Panel considered that there was not a sufficient body of evidence to justify further enquiries and that, in the circumstances, the application was not timely and that there was no reasonable prospect that the Panel would make a declaration of unacceptable circumstances.

Eurogold appreciates the Panel's decision, and is pleased that other Dragon Shareholders supported its view, and has confidence that the new Board of Dragon will manage Dragon for the benefit of all Shareholders.

For and on behalf of
Eurogold Limited

Peter Gunzburg
Executive Chairman