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**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**AND**

**EXPLANATORY MEMORANDUM**

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Date of Meeting: 16 February 2007  
Time of Meeting: 12.00 pm (EST)  
Place of Meeting: Hopgood Ganim, Presentation Room  
Level 7, Waterfront Place  
1 Eagle Street  
Brisbane, Qld 4000  
AUSTRALIA

This Notice of Extraordinary 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.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting (**Meeting**) of the shareholders of **D'Aguilar Gold Limited ACN 052 354 837 (Company)** will be held at Hopgood Ganim, Presentation Room, Level 7, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000, Australia on 16 February 2007 at 12.00pm (EST).

### AGENDA

#### ORDINARY BUSINESS

##### 1. Resolution 1 – Approval of Placement

To consider and, if thought fit, pass the following Ordinary Resolution, without amendment:

*“That in accordance with the provisions of Listing Rule 7.1 of the ASX Listing Rules and for all other purposes, the Company be authorised to issue two million five hundred thousand (2,500,000) ordinary shares in the capital of the Company (**Placement Shares**) at an issue price of AUD \$0.10 each to RAB Special Situations (Master) Fund Ltd (**RAB**) on the terms set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.”*

#### NOTE

The Company intends to issue and allot the Placement Shares as soon as is practicable following the Meeting and in any event no later than three (3) months from the date of the Meeting.

#### Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by:

- (a) RAB; and
- (b) any associate of RAB.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the 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 the directions on the proxy form to vote as the proxy decides.

## 2. Resolution 2 – Approval of Employee Share Option Plan

To consider and, if thought fit, pass the following Ordinary Resolution, without amendment:

*"That for the purpose Exception 9(b) of Listing Rule 7.2 of the ASX Listing Rules and for all other purposes, the Company be authorised to issue securities under the D'Aguilar Employee Share Option Plan (**ESOP**) as an exception to Listing Rule 7.1 of the ASX Listing Rules."*

### **NOTE**

A summary of the terms of the ESOP are contained in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.

### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by:

- (a) any of the Directors of the Company;
- (b) any associate of any Director.

However, the Company need not disregard a vote if:

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

## 3. Resolution 3 – Ratification of Share Placement

To consider and, if thought fit, pass the following Ordinary Resolution, without amendment:

*"That in accordance with the provisions of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, the Shareholders ratify the previous issues by the Company of in total six million, one hundred thousand (6,100,000) shares in the capital of the Company to those recipients (**Placement Recipients**), in those proportions and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting."*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by:

- (a) any of the Placement Recipients;
- (b) any associate of the Placement Recipients.

However, the Company need not disregard a vote if:

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

4. **Resolution 4 – Ratification of Loan Conversion into Shares**

To consider and, if thought fit, pass the following Ordinary Resolution, without amendment:

*“That in accordance with the provisions of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, the Shareholders ratify the previous issues by the Company of in total nine million, one hundred and fifty thousand (9,150,000) shares in the capital of the Company to those recipients (**Conversion Recipients**), in those proportions and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.”*

**Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by:

- (a) any of the Conversion Recipients;
- (b) any associate of the Conversion Recipients.

However, the Company need not disregard a vote if:

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

**GENERAL BUSINESS**

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

**BY ORDER OF THE BOARD**

Duncan Patrick Cornish  
Company Secretary  
3 January 2007

## EXPLANATORY MEMORANDUM

### INTRODUCTION

This Explanatory Memorandum is provided to Shareholders of **D'Aguilar Gold Limited ACN 052 354 837** to explain the Resolutions to be put to Shareholders at the Extraordinary General Meeting to be held at Hopgood Ganim, Presentation Room, Level 7, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000, Australia on 16 February 2007 commencing at 12.00 pm (EST).

The Directors recommend Shareholders read the accompanying Notice of Extraordinary General Meeting and this Explanatory Memorandum in full before making any decision in relation to the ordinary Resolutions.

Terms used in this Explanatory Memorandum are defined on page 8.

### ORDINARY RESOLUTIONS

#### 1. Resolution 1 – Approval of Placement

##### 1.1 Background

Resolution 1 seeks the approval of Shareholders for the issue of the Placement Shares by the Company to RAB under a placement.

##### 1.2 Listing Rule 7.1

Subject to certain exemptions (none of which are relevant here) Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue equity securities (including shares or options) in any 12 month period which amounts to more than 15% of the company's ordinary securities on issue, without shareholder approval.

Accordingly, the Company is seeking Shareholder approval for the issue of Placement Shares by the Company to RAB under the placement for the purpose of satisfying Listing Rule 7.1.

##### 1.3 Disclosure Requirements

As required by Listing Rule 7.3 the following information is provided to Shareholders to allow them to make an informed assessment Resolution 1:

- (a) up to a maximum of two million five hundred thousand (2,500,000) Shares will be issued under the placement.
- (b) the Placement Shares will be issued at a price of AUD \$0.10 per Share.
- (c) the Shares issued pursuant to Resolution 1 will rank pari passu in all respects from the date of issue with the existing Shares of the Company.
- (d) the Share Recipient will be RAB.
- (e) the funds raised pursuant to Resolution 1 will contribute to the Company's working capital.

## 2. Resolution 2 – Approval of Employee Share Option Plan

### 2.1 Background

Pursuant to Resolution 2 the Company is seeking Shareholder approval for the potential future issue of securities under the Company's Employee Share Option Plan (**ESOP**) as an exception to Listing Rule 7.1.

The Board of the Company adopted the ESOP, as a means of rewarding its key employees. A summary of the terms of the ESOP are set out in Annexure A to this Explanatory Memorandum. The full terms of the ESOP are available via the ASX announcements platform ([www.asx.com.au](http://www.asx.com.au)).

The ESOP replaces and updates the existing ESOP which was originally adopted by the Company prior to its admission to ASX in 2003 and which the Board considered was out of date and ill-suited for the current nature of the Company's operations and employee base.

### 2.2 Listing Rule 7.1

Subject to certain exemptions (none of which are relevant here) Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue equity securities (including shares or options) in any 12 month period which amounts to more than 15% of the Company's ordinary securities on issue without shareholder approval.

As a result, any issue of securities by the Company to eligible employees under the ESOP would reduce the Company's 15% capacity to issue Shares under Listing Rule 7.1.

Exception 9 of Listing Rule 7.2 however, allows a company to issue securities without specific shareholder approval and without reducing the 15% capacity under Listing Rule 7.1 where shareholders of a company have approved the issue of securities under an ESOP as an exception to Listing Rule 7.1 within three (3) years prior to the issue of the securities. Resolution 2 is being put to the Shareholders for this purpose and will allow the Company to utilise Exception 9 to Listing Rule 7.2 for three (3) years from the date of the Resolution being passed.

### 2.3 Information for Shareholders

In accordance with Exception 9 of Listing Rule 7.2 the Company advises as follows:

- (a) A summary of the terms of the ESOP are set out in Annexure A;

A previous employee share option plan was established prior to the Company's admission to ASX in 2003, its terms are described in the Company's Prospectus dated 28 May 2003.

The following options have been issued under the former employee share option plan:

- (i) two million four hundred and fifty thousand (2,450,000) Options were issued on 31 July 2005 exercisable on or before 31 July 2008 at an exercise price of AUD \$0.13, of which three hundred thousand (300,000) options were exercised on 1 November 2005. Shareholder approval for the issue was granted at an extraordinary general meeting held on 14 October 2005. At the extraordinary general meeting held on 14 October 2005, Shareholders also approved a reduction in the Company's capital. This resulted in a reduction of the exercise price of these options to AUD \$0.127;

- (ii) one million two hundred thousand (1,200,000) Options were issued on 8 May 2006 exercisable on or before 31 July 2008 at an exercise price of AUD \$0.127. Shareholder approval was granted at the Annual General Meeting held on 24 November 2006;
- (iii) six hundred and fifty thousand (650,000) Options were issued on 7 November 2006 exercisable on or before 31 July 2008 at an exercise price of AUD \$0.127. Shareholder approval has not been granted for the issue of these options.

Currently four million (4,000,000) Options are on issue.

### 3. Resolution 3 – Ratification of Share Placement

#### 3.1 Background

Pursuant to Resolution 3 the Company is seeking that Shareholders ratify the previous issue of Shares in accordance with Listing Rule 7.4.

All Shares were issued on 14 November 2006 at an issue price of AUD \$0.10 per Share. All Shares rank pari passu in all respects with all other issued Shares in the Company.

The recipients of the Shares issued on 14 November 2006 were as follows:

| Recipient  | Number of Shares |
|--|------------------|
| Damplin Investments Pty Ltd                        | 500,000          |
| Dr Michael Fung                                    | 300,000          |
| Goldbondsuper Pty Ltd                              | 200,000          |
| Hayes Property Corporation Pty Ltd                 | 1,500,000        |
| JSM Corporate Pty Ltd                              | 500,000          |
| Mikonos Investments Pty Ltd<br><Rosham Family A/C> | 800,000          |
| Mr Guy Lance Jones<br><BOQ Loan A/C>               | 500,000          |
| Mrs Nadine Rosham                                  | 300,000          |
| Tricom Nominees Pty Ltd<br><LPG A/C>               | 1,000,000        |
| Vision Asset Management Limited                    | 500,000          |
| <b>TOTAL</b>                                       | <b>6,100,000</b> |

In accordance with Listing Rule 7.4 the Company advises as follows:

Six million one hundred thousand (6,100,000) Shares were issued at AUD\$0.10 each and as such, AUD \$610,000 was raised by the Company. The Company is using these funds to continue its exploration programs on the following projects:

- D'Aguiar Block Gold Copper
- New Gold projects
- Nickel projects
- Cloncurry Mt Isa Copper Gold Uranium project
- Anduramba Molybdenum.

#### 4. Resolution 4 – Ratification of Loan Conversion into Shares

##### 4.1 Background

Pursuant to Resolution 4 the Company is seeking that Shareholders ratify the previous issue of Shares in accordance with Listing Rule 7.4.

All Shares were issued on 24 November 2006 at an issue price of AUD \$0.10 per Share. All Shares rank pari passu in all respects with all other issued Shares in the Company. The Shares were issued upon conversion of certain loans owing by the Company, in the manner previously announced by the Company on 8 November 2006.

The recipients of the Shares issued on 24 November 2006 were as follows:

| Recipient  | Number of Shares |
|--|------------------|
| Laguna Bay Capital Pty Ltd   | 1,450,000        |
| Mr Peter Anthony Lynch &<br>Mrs Laura Anne Lynch<br><Sebal Super Fund A/C> | 200,000          |
| Pine Mountain Pty Ltd  | 500,000          |
| P.J Enterprises Pty Ltd  | 1,000,000        |
| Wybelenna Central Pty Ltd  | 6,000,000        |
| <b>TOTAL</b>   | <b>9,150,000</b> |

In accordance with Listing Rule 7.4 the Company advises as follows:

Nine million one hundred and fifty thousand (9,150,000) Shares were issued at AUD \$0.10 each on the conversion of certain loans owed by the Company totalling AUD \$915,000. The Company is using these funds to contribute to continue its exploration programs on the following projects:

- D'Aguilar Block Gold Copper
- New Gold projects
- Nickel projects
- Cloncurry Mt Isa Copper Gold Uranium project
- Anduramba Molybdenum.

## INTERPRETATION

**ASX** means the ASX Limited;

**Board** means the board of Directors of D'Aguilar Gold Limited;

**Company** means D'Aguilar Gold Limited ABN 67 052 354 837;

**Constitution** means the constitution of D'Aguilar Gold Limited;

**Corporations Act** means the *Corporations Act 2001 (Cwlth)*;

**Director** means a director of the Company;

**ESOP** means the D'Aguilar Employee Share Option Plan;

**EST** means Australian Eastern Standard Time;

**Listing Rules** means the Official Listing Rules of the ASX (as amended from time to time);

**Notice** means this notice of extraordinary general meeting;

**Options** mean options to subscribe for Shares in the Company;

**Placement Shares** means the two million five hundred thousand (2,500,000) Shares;

**RAB** means RAB Special Situations (Master) Fund Ltd;

**Shareholders** means those persons or entities that hold ordinary shares in the issued capital of the Company; and

**Shares** means fully paid ordinary shares in the Company.

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*Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Duncan Cornish (Company Secretary):*

*Santos House  
Level 5  
60 Edward Street  
BRISBANE QLD 4000  
AUSTRALIA*

*Phone: (07) 3303 0680*

## ANNEXURE A

### D'AGUILAR GOLD LIMITED ACN 052 354 837 EMPLOYEE SHARE OPTION PLAN SUMMARY OF TERMS AND CONDITIONS OF THE PLAN

1. The Plan is to extend to Eligible Employees of D'Aguiar Gold Limited ACN 052 354 837 (the **Company**) or an associated body corporate of the Company as the Board may in its discretion determine.
2. The total number of Shares to be issued by the Company to Eligible Employees in respect of which Options have been issued under the Plan shall not at any time exceed five percent (5%) of the Company's total issued ordinary Share capital in that class at that time when aggregated with:
  - (a) the number of Shares in the same class which would be issued were each outstanding offer with respect to Options under any share option plan of the Company accepted and exercised; and
  - (b) the number of Shares in the same class issued during the previous five (5) years pursuant to:
    - (i) the Plan to an Eligible Employee; or
    - (ii) any employee share option plan of the Company,but excluding for the purposes of the calculation, any offer made or Option acquired by way of or as a result of:
    - (c) any offer to a person situated at the time of receipt of the offer referred to in paragraph 2(a) and (b) outside of this jurisdiction; or
    - (d) an offer that did not require disclosure to investors because of Section 708 of the *Corporations Act 2001 (Cwlth)*; or
    - (e) an offer that did not require the giving of a product disclosure statement because of Section 1012D of the *Corporations Act 2001 (Cwlth)*; or
    - (f) an offer made under a disclosure document or product disclosure statement within the meaning of those terms in the *Corporations Act 2001 (Cwlth)*.
3. The Options are to be issued for no consideration.
4. The exercise price of an Option is to be determined by the Board at its sole discretion.
5. The Vesting Date will be any such date or dates with respect to the Options or tranches of Options (as the case may be) as may be determined by the Board from time to time.
6. The Option Commencement Date will be the later of:
  - (a) the Issue Date; and
  - (b) the Vesting Date;

7. The Option Exercise Period commences on the Option Commencement Date and ends on the earlier of:
  - (i) three (3) years from the date on which the Options are issued; or
  - (ii) the Business Day after the expiration of thirty days, or any longer period which the Board may determine, after the Eligible Employee ceases to be employed or ceases to be a director (if the Eligible Employee is not also employed) by the Company or an associated body corporate of the Company; or
  - (iii) the Eligible Employee ceasing to be employed by the Company or an associated body corporate of the Company due to fraud or dishonesty;
8. Eligibility to participate is determined by the Board. Eligibility is restricted to Eligible Employees of the Company or an associated body corporate of the Company. The Board is entitled to determine:
  - (a) subject to paragraph 2, the total number of Options to be offered in any one (1) year to Eligible Employees;
  - (b) the Eligible Employees to whom offers will be made; and
  - (c) the terms and conditions of any Options granted, subject to the Plan.
9. Participants do not participate in dividends or in bonus issues unless the Options are exercised.
10. While the Option holders do not have any participating rights in new issues of securities in the Company during the term of any Options held, the Option holders shall be afforded a period of at least ten (10) Business Days before the record date to determine entitlements to the issue, to exercise the Options and it shall be a condition of the Options that any entitlements to bonus issues of securities are only available to Option holders in the event of a prior exercise of the Options.
11. In the event that a rights issue is made by the Company during the term of the Options at a discount to the independently ascertained value of the Shares, then the Company shall be obliged to adjust the exercise price for the Options in accordance with a specific formula.
12. The Board has the right to vary the entitlements of all participants to take account of the effective capital reconstructions, bonus issues or rights issues.
13. The Board may vary the Plan.
14. At any time from the date of an Offer until the Acceptance Date of that Offer, the Board undertakes that it shall provide information as to:
  - (a) the Current Market Price of the Shares; and
  - (b) the Exercise Price of the Shares were this calculated as at the date of the Offer,to any Participant by mail (or such other form of notification as agreed by the Company and the Participant) within five (5) Business Days of a written request to the Company from that Participant to do so.

## PROXY, REPRESENTATIVE AND VOTING ENTITLEMENT INSTRUCTIONS

### PROXIES AND REPRESENTATIVES

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two (2) or more votes at the meeting, they may appoint two (2) proxies. Where more than one (1) proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the Shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a Shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001 (Cwlth)*.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the *Corporations Act 2001 (Cwlth)*.

The proxy form (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, posted to, or sent by facsimile transmission to the address as follows:**

IN PERSON:- D'Aguilar Gold Limited, Santos House, Level 5, 60 Edward Street,  
Brisbane, QLD 4000, Australia

BY MAIL:- D'Aguilar Gold Limited, GPO Box 5261, Brisbane, QLD 4001,  
Australia

BY FAX:- (07) 3303 0681

Or with the Company's Share Registry:

IN PERSON:- Link Market Services Ltd, Level 12, 300 Queen Street, Brisbane  
QLD, 4000, Australia

not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry; Link Market Services Limited.

A proxy form is attached to this Notice.

### VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm EST on 14 February 2007. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### SIGNING INSTRUCTIONS

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

Individual: Where the holding is in one (1) name, the holder must sign.

Joint Holding: Where the holding is in more than one (1) name, all of the security holders should sign.

Power of Attorney: To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the *Corporations Act 2001 (Cwlth)*) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.

Please indicate the office held by signing in the appropriate place.

**PROXY FORM**

I/WE

of

being shareholder(s) of **D'Aguilar Gold Limited ACN 052 354 837 (Company)**

hereby appoint

of:

of failing him/her

of:

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at Hopgood Ganim, Presentation Room, Level 7, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000 Australia, on 16 February 2007 at 12.00pm (EST) and at any adjournment thereof in respect of all of my/our shares in the Company unless otherwise specified below.

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

If the Chairman is appointed as your proxy, or may be appointed by default, and if you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box:

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he/she has an interest in the outcome of the resolution and votes cast by him/her other than as proxy holder will be disregarded because of that interest. The Chairman advises that it is his/her intention to vote in favour of all resolutions in respect of any undirected proxies which may be granted in favour of the Chairman.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is [        ]%. (An additional proxy form will be supplied by the Company on request.)

If you wish to appoint the proxy to exercise voting power over only some of your shares, the number of shares in respect of which this proxy is to operate is ..... shares (Note: proxy will be over all shares if left blank)

If no directions are given, the proxy may vote as the proxy thinks fit or may abstain. By signing this appointment you acknowledge that the proxy (whether voting in accordance with your directions or voting in their discretion under an undirected proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

I/we direct my/our proxy to vote as indicated below:

**RESOLUTION**

- Resolution 1 – Approval of Placement
- Resolution 2 – Approval of Employee Share Option Plan
- Resolution 3 – Ratification of Share Placement
- Resolution 4 – Ratification of Loan Conversion into Shares

| <b>For</b>               | <b>Against</b>           | <b>Abstain</b>           |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Individual or Security holder 1**

**Sole Director and  
Sole Company Secretary  
(If appointed)**

**Security holder 2**

**Director**

**Security holder 3**

**Director/Company Secretary**

\_\_\_\_\_  
**Contact Name**

\_\_\_\_\_  
**Contact Daytime Telephone**

\_\_\_\_\_  
**Date**