

30 July 2009

ASX Market Supervision  
Level 5  
Riverside Centre  
123 Eagle Street  
Brisbane Qld 4000

Attention: Frances Finucan ([frances.finucan@asx.com.au](mailto:frances.finucan@asx.com.au))

Dear Ms Finucan

**Response to ASX Query**

Reference is made to your letter of 27 July 2009 following the lodgement of the Company's Appendix 5B for the period ended 30 June 2009.

We respond as follows:

1. No, there are other factors to be taken into account.
2. Given the nature of its activities as an explorer and resource generation house, the Company expects to continue to have negative cash flows in the short-term. However, for the next two (2) quarters, the Company does not expect to have negative cash flows similar in quantum to that of the June 2009 quarter.
3. The Company will continue to pursue its business objectives to conduct exploration in the subsidiaries as planned, as it believes this is the best way to deliver value to shareholders and to retain ownership of the prospective tenements and projects.

In the past the Company has been successful in undertaking capital raisings both within the Company and Group subsidiaries as and when required. The Company expects this practice to continue in the future, and based on historical performance, has good reason to believe that it can successfully raise required capital as and when needed.

The Company has received a written firm placement offer for 44 million D'Aguilar shares at 3.5 cents each to provide working capital of \$1,540,000, subject to shareholder approval. The Board of the Company has considered the proposal and agreed to it yesterday. The Board intends to recommend it to shareholders, and we anticipate a meeting of shareholders to approve the placement by 30 August 2009. We expect to release an announcement to the market regarding this matter today or tomorrow.

This placement will provide the Company with sufficient funding to meet the next nine (9) months of recurring expenses. Additional fund raising initiatives in the Group subsidiaries are also advancing and if successful, will result in substantial additional funds.



4. Yes.
5. The D'Aguilar Group's financial position as at 30 June 2009 represents an improvement over the previous quarter and indeed six-monthly financial reporting period. This is due to the following factors:
- (i) the market value of D'Aguilar's investment in Mt Isa Metals Ltd (ASX: MET) increased by \$3.0 million;
  - (ii) the size and market value of the D'Aguilar's investment in Solomon Gold Plc (AIM: SOLG) increased by approximately \$600,000 to \$632,000;
  - (iii) the conversion of debt instruments held by various parties into equity holdings (refer general shareholder meeting of 22 May 2009) has had the effect of reducing the Group's interest-bearing liabilities by approximately \$2.2 million;
  - (iv) for the six month period ended 30 June 2009, the Group dropped a net 21 non-prospective tenements;
  - (v) the initiative in (iv) above has translated into annual savings in tenement spending commitments of approximately \$1 million;
  - (vi) D'Aguilar subsidiary, Central Minerals Pty Ltd, successfully raised \$400,000 in seed capital funding;
  - (vii) D'Aguilar subsidiary, AusNiCo Limited, successfully raised \$270,000 in seed capital funding;
  - (viii) the Group's only indebtedness is currently limited to motor vehicle leases, where there is a current total exposure of less than \$90,000.

Should you have any queries in relation to this matter, please feel free to contact me as outlined below.

Yours sincerely,



**Karl Schlobohm**  
Company Secretary





27 July 2009

Mr Karl Schlobohm  
Company Secretary  
D'Aguilar Gold Limited  
Level 5, 60 Edward Street  
BRISBANE QLD 4000

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Dear Mr Schlobohm

**D'Aguilar Gold Limited (the "Company")  
Appendix 5B**

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 30 June 2009, released to ASX Limited ("ASX") on 27 July 2009 (the "Appendix 5B").

ASX notes that the Company has reported the following.

1. Nil Receipts from product sales and related debtors.
2. Net negative operating cash flows for the quarter of (\$1,240,000).
3. Cash at end of quarter of \$668,000.

In light of the information contained in the Appendix 5B please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, taking into account future administration costs, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

Australian Securities Exchange

Australian Stock Exchange  
Sydney Futures Exchange

Australian Clearing House  
SFE Clearing Corporation

ASX Settlement and Transfer Corporation  
Austraclear

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

### Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response may be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me by email at [frances.finucan@asx.com.au](mailto:frances.finucan@asx.com.au) or on facsimile number (07) 3832 4114. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **9.30am (EST) on Thursday, 30 July 2009**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries, please do not hesitate to contact me on (07) 3835 4017.

Yours sincerely



**Frances Finucan**  
**Senior Adviser, Issuers (Brisbane)**

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