

ASX Announcement

23 April 2010

AusNiCo Update

Further to the previous announcements of 10 March and 9 April 2010, the Directors wish to advise that the impending merger between 80% DGR subsidiary, Ausnico Limited, and Canadian TSX-V listed Lions Gate Metals Inc (LGM) has been terminated today by mutual agreement.

The parties agreed to terminate the merger after a number of recent events in Canada created potential uncertainty for Australian investors. "There are several factors have that led us to the decision to terminate the transaction," said DGR Managing Director Nicholas Mather. "The main issues for D'Aguilar were a challenge to Lions Gate's interest in the Rok porphyry project, a blockade at the proposed drill program on the flagship Poplar porphyry project, Canadian market volatility, and a lack of North American investors for the Lions Gate raising."

Accordingly, the DGR Board has taken the view that it did not wish to subject D'Aguilar and Ausnico shareholders to this level of uncertainty at this time.

D'Aguilar has continued to fund the ongoing exploration work on the Ausnico tenements, and with a 50% increase in the underlying nickel price over the last six (6) months, the Directors have committed to an IPO of Ausnico and listing on the ASX by end of July 2010. Significant support for this raising has been indicated by third parties and DGR believes that the availability of the documentation and independent reports created for the various regulatory elements of the previously proposed merger will enable the timely preparation and issue of a Prospectus document.

On behalf of the Board
KM Schlobohm
Company Secretary

About D'Aguilar Gold

D'Aguilar Gold Limited is focussed on generating exploration and development companies in a wide array of minerals.

Projects are conceived directly through the skills and experience of D'Aguilar's accomplished team of exploration geoscientists (an enviable track record), not by the costly purchase of properties. Each project or exploration strategy is held in a separate subsidiary.



Focussed and specialist management is then engaged in the subsidiary, with project specific finance raised in the subsidiary – faster and less dilutive to D’Aguilar. As the subsidiary project develops and starts to derisk the subsidiary is separately capitalised (seed raisings followed by an IPO).

Investors can choose to invest specifically in a particular project/commodity, or by investing in D’Aguilar, invest in the resource company generating business which retains a significant carried interest in each project.

D’Aguilar projects tend to be very large, targeting new provinces with the potential to make world-class discoveries. The exploration concepts are often novel. While increased metal prices and advances in technology can turn former sub-economic deposits into viable projects, D’Aguilar subsidiary projects frequently emerge from detailed reassessment and reinterpretation of large databases – looking at things from a new angle and with a different focus using state of the art techniques. The D’Aguilar Directors and Managers have in the past applied new exploration models to extensive tenement areas which have led to identification of new mineral provinces and the discovery of nationally significant resources. Similar efforts are now being dedicated to D’Aguilar.

D’Aguilar Gold currently holds 50 million shares (48%) in **Mt Isa Metals Limited** (ASX: MET) embarking on an exciting gold strategy in Burkina Faso, and 32.9 million shares (17.05%) in **Solomon Gold plc** (LSE: SOLG).

In the development pipeline, D’Aguilar is also progressing plans for four subsidiaries – **Ridge Exploration** (86% - iron ore, titanium and aluminium), **Barlyne Mining** (100% - porphyry copper gold), **Anduramba Molybdenum** (100%) and **Navaho Gold** (100% - gold and silver). Several other projects are at earlier stages of development, and will be announced to the market when exploration tenements have been secured.



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