

D'Aguilar Gold Limited ACN 052 354 837

Notice of Extraordinary General Meeting and Explanatory Memorandum

Date of Meeting: Friday 19 February 2010

Time of Meeting: 10.00 am (Brisbane time)

Place of Meeting: Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland

Proxy Form

Notice is given that an Extraordinary General Meeting of shareholders of D'Aguilar Gold Limited ACN 052 354 837 (Company) will be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on Friday 19 February 2010 at 10.00am (Brisbane time).

Agenda

Ordinary business

1. Resolution 1 – Approval of Sale of Shares in Central Minerals Pty Ltd

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

“That the Company give its approval to:

- (a) the Share Sale Agreement to be entered into by the Company and each of the other Central Vendors with Solomon Gold plc in January 2010 for the sale by the Company and each of the other Central Vendors of all of the share capital in Central Minerals Pty Ltd; and
- (b) the Debt Assignment Deed to be entered into by the Company with Solomon Gold plc in January 2010 for the concurrent assignment of the debt owed by Central to the Company to Solomon Gold plc.”

Voting exclusion statement

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

- Mr Nicholas Mather (a director of the Company);
- Mr Brian Moller (a director of the Company);
- Solomon Gold plc and each Central Vendor; and
- any associate of Solomon Gold plc and each Central Vendor.

However, the Company need not disregard a vote if:

- 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
- 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

Mr Karl Schlobohm
Company Secretary
18 January 2010

Notice of Extraordinary General Meeting

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to shareholders of D'Aguilar Gold Ltd ACN 052 354 837 (**Company**) to explain the resolutions to be put to Shareholders at the Extraordinary General Meeting to be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane on Friday 19 February 2010 at 10.00am (Brisbane time).

Each of the independent directors, Bill Stubbs and Vince Mascolo, recommend shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolution.

Terms used in this Explanatory Memorandum are defined in Section 3.

Ordinary Resolution

2. Resolution 1 – Approval of Sale of Shares in Central Minerals Pty Ltd

On 4 December 2009, the Company announced that its 79% owned subsidiary, Central Minerals Pty Ltd ACN 125 394 132 (**Central**) had agreed to enter into a Share Sale Agreement (**Share Sale Agreement**) with Solomon Gold plc (**Purchaser** or **SGL**) for the sale by each of the Central Vendors of their shareholding in Central and concurrently the Company had agreed to enter into a Debt Assignment Deed with the Purchaser to assign all of the debt owned by Central to the Company to the Purchaser (**Assignment Deed**).

There are 20 shareholders in all in Central, including D'Aguilar which is the largest shareholder.

About Central

Central holds extensive exploration tenements near Rannes, 120km north of Newcrest's Cracow Gold mine on the eastern edge of the Bowen Basin. The Rannes project is focussed on the search for extensively altered and mineralised rock packages with similar characteristic to the prolific Carlin gold belt in Nevada, USA. The project encompasses a number of advanced targets also ready for more detailed resource definition, and several other targets already identified for first pass drilling. Significant potentially economic intersections have been defined at five prospects to date: Crunchie, Homestead, Kauffman's, Cracklin Rosie and Porcupine Pie – these were the subject of the Company's announcement dated 28 May 2009.

Terms of Sale Transaction

Share Sale Agreement

The Central Minerals sale transaction will see the AIM listed exploration company Solomon Gold Plc acquire 100% of the share capital of Central Minerals Pty Ltd ACN: 125 394 132 in return for an allotment of 37.2 million Solomon Gold shares.

The Share Sale Agreement provides for the acquisition of 100% of Central by Solomon Gold plc in consideration for the issue by the Purchaser of 37.2m shares in Solomon Gold plc on a pro-rata basis to the shareholders of Central. As Central has 25,000,000 shares on issue each Central share will be exchanged for 1.488 Solomon Gold plc shares.

Notice of Extraordinary General Meeting

The Share Sale Agreement is conditional upon:

- completion of the Assignment Deed;
- due diligence being completed to the satisfaction of all parties;
- shareholder approval of shareholders of the Company;
- obtaining any regulatory approvals; and
- the Central Vendors not accepting a Superior Offer for their shares in Central.

The Central Vendors have granted Solomon Gold a right to match any other Superior Offer received for Central.

Additionally, the Central Vendors have agreed to pay a 1% break fee in the event that either:

- the Share Sale Agreement is not approved by D'Aguilar shareholders; or
- a Superior Offer is received by the Central Vendors and not matched by Solomon Gold plc.

The 1% break fee is the sum equivalent in value to 1% of the aggregate value of:

- the consideration payable under the Share Sale Agreement; and
- the purchase price payable under the Assignment Deed (as to which, see below).

Completion is scheduled to take place 3 business days after satisfaction of the last of the applicable conditions to the sale.

Mr Mather, a director of the Company and associated interests are shareholders in Central and as a result of the sale transaction, Mr Mather and associated interests will become entitled to a further 558,000 shares in Solomon Gold. Further details of Mr Mather's interests in respect of Solomon Gold plc and the proposed transactions appear below.

Assignment Deed

Concurrently with the sale of Central, the Company has agreed to sell the debt owed by Central to it for past funding, currently \$2,281,000, in consideration for the payment of \$2m by the Purchaser to the Company payable:

- as to \$1m cash on completion of the acquisition; and
- the balance purchase price in the sum of \$1m to be paid in 12 months with repayment secured through the issue by Solomon Gold plc of convertible notes (**Notes**).

The Notes:

These:

- mature 12 months from the date of issue;
- bear a 10% coupon, payable quarterly in arrears;
- bear interest at the Company's election by way of cash or the issue of further Notes;
- are convertible at the Company's election at any time at market price for Solomon Gold shares at the time of conversion to Solomon Gold plc shares;

Notice of Extraordinary General Meeting

- are unsecured;
- are transferable with Solomon Gold plc's consent which may not be unreasonably or capriciously withheld.

Completion of the Share Sale Agreement and the Assignment Deed are subject to shareholder approval and compliance with any legal requirements (including those of the ASX).

The Purchaser's conditions precedents for due diligence have been satisfied.

Shareholding Positions in Solomon Gold plc & Governance after the Sale Transactions

After the acquisition of Central, Solomon Gold will have 193,170,075 shares on issue.

After completion of the acquisition of Central Mining Pty Ltd, D'Aguilar Gold Ltd will be entitled to a further 29,388,000 shares in Solomon Gold and will hold 32,943,557 (17.05%) of Solomon Gold.

Mr Mather and his associated interests will hold a total of 30,780,936 shares (15.93%) as a result of both the recent Solomon Gold plc acquisition of Acapulco Mining Pty Ltd and the Central Minerals transaction.

The board of directors of Solomon Gold comprises five members including three directors who are not conflicted in respect of the Central acquisition.

D'Aguilar is entitled to appoint a further nominee to the board of Solomon Gold plc on completion of the Share Sale Agreement.

Disclosure of Interests

Mr Mather and Mr Brian Moller, directors of Solomon Gold, are also directors of Central Minerals and D'Aguilar Gold Ltd. Messrs Mather and Moller abstained from the decision of the Company to sell its 79% holding in Central and also in their capacity as directors of Solomon Gold plc abstained from the decision of Solomon Gold plc to acquire Central Minerals.

Mr Mather and his associated interests will hold a total of 30,780,936 shares (15.93%) as a result of both the recent Solomon Gold plc acquisition of Acapulco Mining Pty Ltd and the Central Minerals transaction.

Recommendation by Independent Directors

Vince Mascolo and William Stubbs are the other directors on the board of the Company. They have no shares in Central and are considered to be independent, non conflicted directors in these circumstances.

The sale of D'Aguilar's interest in Central is recommended by the independent non-conflicted directors of D'Aguilar subject to there being no higher bid capable of acceptance received by D'Aguilar. D'Aguilar has agreed to pay a cash break fee amounting to 1% of the total value of the proposed consideration in the event that the sale is not approved. Solomon Gold also has a right to match any higher offer received.

Notice of Extraordinary General Meeting

Consequences of Sale of Central

The sale of Central provides D'Aguilar with a consideration well above the \$2.28m it has cost D'Aguilar to date. At the current Solomon Gold market price as at 16 December 2009 and current exchange rate, the value of the cash, notes and Solomon Gold shares received to the Company would be approximately A\$6.0m.

It is considered that there is the potential for world class gold and copper discoveries in Solomon's Guadalcanal and Fauro projects and for nearer term economic discoveries at Mt Perry and Rannes to be realistic. The Company will have exposure to the potential upside through its increased shareholding in Solomon Gold plc.

D'Aguilar will, importantly, receive the benefit of the cash and convertible note component of the sale consideration, which largely cover its costs and provides a basis for D'Aguilar's ongoing new generative efforts and ameliorates the need for further capital raisings.

D'Aguilar's shareholding in Solomon Gold after the sale of Central to Solomon Gold will complement D'Aguilar's existing holding in other exploration companies it has generated as part of its ongoing business.

The sale of the Rannes project interests into an existing listed entity is consistent with D'Aguilar's business strategy of unlocking value in project investments through independent financing, management, and stock exchange listing. The proposed deal affords the opportunity to D'Aguilar and its shareholders to participate in future growth of the Rannes projects along with the Mt Perry and Guadalcanal gold project areas through its shareholding of 32,943,557 shares in Solomon following completion of the sale.

D'Aguilar considers that the creation of the new Pacific gold focus in Solomon Gold is an exciting opportunity for D'Aguilar shareholders as it brings together three large project areas under one umbrella, providing the potential to identify multi million ounce deposits while spreading risk.

D'Aguilar Gold's Business Strategy

The Company's core business activities will not change as a result of the sale of its 79% holding in Central.

D'Aguilar's business strategy continues to be to generate new resource projects, install independent management and secure listings of these on recognised stock exchanges in association with significant capital raisings.

D'Aguilar's business strategy is to hold key positions in the resulting listed entities and to support the development of those companies and their assets. In 2008 it listed Mt Isa Metals after a successful IPO. Currently, D'Aguilar also holds a substantial position of 50 million shares (48%) of ASX that company with a current market value of A\$10m. D'Aguilar also continues to progress finalisation of the merger of its nickel exploration subsidiary AusNiCo Ltd with Canadian TSX-V listed Lions Gate Metals Inc which will when completed provide D'Aguilar with approximately 8 million shares in Lions Gate worth approximately \$9.25m. D'Aguilar also intends to effect stock exchange listings of its subsidiaries, Anduramba Molybdenum Pty Ltd, Queensland iron ore, bauxite and rutile explorer, Ridge Exploration Pty Ltd and Carlin style gold explorer, Navaho Mining Pty Ltd over the next year.

Notice of Extraordinary General Meeting

About Solomon Gold

Solomon was created by D'Aguilar in March 2005 to fund exploration on the extensive Guadalcanal porphyry copper gold project. Solomon Gold listed on the London Stock Exchange AIM Board (LSE-AIM:SOLG) (see website www.solomongold.com) following a £5 million pound (A\$13M at the time) capital raising in February 2006.

D'Aguilar shareholders received an in specie distribution of 10 million Solomon shares at that time. Solomon Gold currently has 106,170,075 shares on issue and holds exploration licences covering 600km² in Solomon Islands of which 300km² are on Guadalcanal in joint venture with Newmont Ventures Ltd, a subsidiary of Newmont Mining Inc one of the world's most efficient porphyry copper and gold explorers and miners. It also holds a recently granted exploration licence over Fauro Island near the Papua New Guinea border in the north of Solomon Islands, immediately south of the Island of Bougainville, host of one of the region's best endowed copper gold porphyry systems at Panguna. Fauro hosts five significant gold targets and numerous artisanal alluvial gold mining operations. Fauro will be subject to an intensive program of airborne electromagnetics to identify potentially gold bearing silica zones, and magnetics to identify host porphyry and related systems, along with detailed mapping sampling trenching and drilling programs over the two years.

On the Guadalcanal projects, Newmont is earning in accordance with a March 5 2009 agreement, a 51% interest by expending US\$6m within 3 years with a right to a further 19% by spending a further 6m within a further 2 years. Several key targets have been outlined to date:

- Chikora, Koloula valley - drill ready porphyry copper gold target;
- Kuma, Kuma valley – Large mineralised high sulphidation system with numerous magnetic electromagnetic and geochemical targets;
- Mbetilonga – Significant electromagnetic magnetic and geochemical targets at Vuanimaho, Vuramindi, Vuralangomma, Hambusimaloso, and Vatuchichi.

D'Aguilar itself currently holds 3,555,557 shares or approximately 3.35% of Solomon Gold, prior to the acquisition of Central Minerals.

Solomon Gold's board comprises five members including three independent directors, Messrs Cameron Wenck (Chairman), John Bovard; and Dr Robert Weinberg. Mr Wenck has 25 years commercial experience in professional insurance and investment businesses and Mr Bovard and Dr Weinberg have had considerable experience in the gold investment and mining industries. Dr Weinberg is a geologist with 36 years experience in mining finance and marketing and has been a consultant to and Director of several junior exploration companies, including currently Medusa Mining Ltd and Kasbah Resources Ltd. He was previously Managing Director, Institutional Investment of the World Gold Council and headed the mining department at James Capel. Mr Bovard a civil engineer has approximately 35 years experience in the operational aspects of the mining industry having headed the construction of Porgera (PNG) and Bronzewing Gold Mines (WA) and served as the general manager of OK Tedi Mining Limited.

Solomon Gold currently has A\$4.5m in cash to be applied to the acquisitions, its Queensland exploration activities and exploration of the 100% owned Fauro project in northern Solomon Islands over the next 12 months. It is expected that year round drilling conditions and relatively easy access arrangements combined with local knowledge, management and relatively cheap exploration costs will enable the delivery of regular exploration updates from these projects in addition to the ongoing results from the Solomon Islands projects.

Notice of Extraordinary General Meeting

Listing Rules

The proposed Central acquisition implements the Company's continuing business strategy, which is to generate new resource projects, install independent management and secure listings of these on recognised stock exchanges in association with significant capital raisings. That business strategy is to hold key positions in the resulting listed entities and to support the development of those companies and their assets. While the Central acquisition is not considered a significant change within the meaning of Listing Rule 11.1, nevertheless in the interests of fairness, governance and transparency, the Company is seeking shareholder approval for the proposed transaction.

As the Company's 79% holding in Central has not at any stage been the main undertaking of the activities of the Company, shareholder approval under Listing Rule 11.2 is not required Listing Rule 11.2 provides that a company that proposes to dispose of its main undertaking must obtain the approval of shareholders and comply with any directions from ASX in relation to the notice of meeting).

Directors recommendation

This Explanatory Memorandum, along with announcements made by the Company to the ASX, are intended to provide sufficient detail for shareholders to make an informed decision in relation to the change in the scale of its activities. Shareholders are urged to read and consider this Explanatory Memorandum prior to making a decision as to how to vote on Resolution 1.

The independent directors of the Company believe that the change in scale of activities resulting from the sale of the 79% holding in Central is in the best interests of the Company and encourage shareholders to approve Resolution 1.

Further Information

For further information on Solomon Gold, shareholders are directed to the Solomon Gold website www.solomongold.com

Copies of the Share Sale Agreement and the Assignment Deed will be available for review at the Meeting.

3. Interpretation

AIM means AIM market of the London Stock Exchange

Central Vendors means each of the persons listed in Schedule 1 hereto.

Company means D'Aguilar Gold Ltd ACN 052 354 837

SGL means Solomon Gold plc.

SGL Shares means ordinary shares in SGL of par value of 1 pence each.

Superior Offer means an offer which in value is determined by the independent directors of the Company, acting reasonably, to be superior in market value to the value of:

- (a) the consideration under the Share Sale Agreement; and
- (b) the purchase price payable under the Assignment Deed;

Notice of Extraordinary General Meeting

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Karl Schlobohm (Company Secretary):

Level 5, 60 Edward Street, Brisbane, QLD 4000
Telephone No: (07) 33030661

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 or more votes at the meeting, they may appoint two proxies. Where more than one 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* (Cth).

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*.

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 listed below** 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.

D'Aguilar Gold Limited
Level 5, 60 Edward Street,
Brisbane QLD 4000
Telephone Phone: (07) 3303 0680
Facsimile No :(07) 3303 0681

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.

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 Sydney time (6:00pm Brisbane time) on 17 February 2010. 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 name, the holder must sign. |
| Joint Holding: | Where the holding is in more than one name, all of the security holders should sign. |

Notice of Extraordinary General Meeting

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*) 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
APPOINTMENT OF PROXY



I/We being shareholders of D'Aguilar Gold Limited (Company) hereby appoint

☐

The Chairman of the meeting

Write here the name of the person you are appointing if this person is not the Chairman

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 Level 7, Waterfront Place, 1 Eagle Street, Brisbane, on 19 February 2010 at 10 am 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

For

Against

Abstain

1. Approval of Sale of Shares in Central Minerals
Pty Ltd

☐☐☐

Individual or Security holder 1

Security holder 2

Security holder 3

Sole Director and sole Company

**Director
Secretary (If appointed)**

Director/Company Secretary

Contact Name

Contact daytime telephone

Date