

THE GOLD COMPANY LTD
ABN 85 118 463 004

SHORT FORM PROSPECTUS

For the non-renounceable rights issue of one (1) Option for every one (1) Share held by Shareholders as at 5.00pm WST on 28 July 2006 at an issue price of one half cent (0.5 cents) per Option to raise up to approximately \$160,501.

IMPORTANT NOTICE

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act 2001. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to another document, the information of which is deemed to be incorporated in this Prospectus.

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IMPORTANT NOTICE

This Prospectus is dated 13 July 2006.

A copy of this Prospectus was lodged with the ASIC on 13 July 2006. The ASIC takes no responsibility for the contents of this Prospectus.

No Options will be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus. Application will be made to ASX within seven (7) days after the date of this Prospectus for admission of the Options offered by this Prospectus to Official Quotation.

Applicants should read this document in its entirety and, if in any doubt, consult with their professional advisers before deciding whether to apply for Options. There are risks associated with an investment in the Company and the Options offered under this Prospectus must be regarded as a speculative investment. The Options offered under this Prospectus carry no guarantee with respect to return on capital investment or the future value of the Options.

Certain abbreviations and other defined terms are used throughout this Prospectus. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in section 12 of this Prospectus.

Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates by reference information contained in a document that has been lodged with the ASIC.

This Prospectus refers to the disclosure document lodged by the Company with the ASIC on 4 May 2006 for the offer of up to 20,000,000 Shares (including oversubscriptions) at an issue price of \$0.20 per Share (May 2006 Prospectus) and pursuant to which 20,000,000 Shares were issued.

In referring to the May 2006 Prospectus, the Company:

- (a) identifies the May 2006 Prospectus as being relevant to the offer of Options under this Prospectus and containing information that will provide investors and their professional advisers information to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to:
 - (A) the Options; and
 - (B) the underlying securities;
 - (ii) the capacity of the Company to issue the underlying securities; and

- (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (b) refers investors and their professional advisers or analysts to section 4 of this Prospectus which summarises the information in the May 2006 Prospectus deemed to be incorporated in this Prospectus;
- (c) informs investors and their professional advisers or analysts that they are able to obtain, free of charge, a copy of the May 2006 Prospectus by contacting the Company at its registered office during normal business hours during the Offer Period; and
- (d) advises that the information in the May 2006 Prospectus will be primarily of interest to investors and their professional advisers or analysts.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website at www.thegoldcompany.com.au. Any person accessing the electronic version of the Prospectus within Australia or anywhere outside of Australia should note that this Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. It is the responsibility of any investor outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such applicant should consult their professional advisers as to whether any government or other consents are required or whether any formalities need to be observed to enable them to apply for and be allotted any securities.

The Corporations Act prohibits any person passing onto another person an application form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of this Prospectus. During the Offer Period any person may obtain a copy of this Prospectus free of charge by contacting the Company.

1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr Simon Cato
(Chairman)

Mr Jeremy Whybrow
(Executive Director)

Mr Miles Guy
(Non-Executive Director)

COMPANY SECRETARY

Mr Bruce Acutt

PRINCIPAL OFFICE

6 Ord Street
WEST PERTH WA 6005
Tel: +61 8 9320 5128

INDEPENDENT GEOLOGIST

Geological Investigations Pty Ltd
4 Minim Close
Mosman Park , WA 6012

INDEPENDENT ACCOUNTANT

Ord Corporate Pty Ltd
Level 2, 47 Colin Street
WEST PERTH WA 6005

SOLICITORS

Fairweather & Lemonis
Level 9
172 St Georges Terrace
PERTH WA 6000

UNDERWRITER

Upper Mantle Investments Pty Ltd
20 Boscombe Avenue
CITY BEACH WA 6015

***SHARE REGISTRY**

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009
Tel: +61 8 9389 8033

*Advanced Share Registry Services has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

2. TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Prospectus lodged with ASIC and ASX	13 July 2006
Record Date	28 July 2006
Dispatch of Prospectus and Opening Date	3 August 2006
Closing Date*	18 August 2006

*The Directors reserve the right to extend the Closing Date by giving at least 6 business days notice to the ASX. As such, the date the Options are expected to commence trading on ASX may vary with any extension of the Closing Date.

3. DETAILS OF THE OFFER

3.1 Purpose of the Offer

The funds raised by the Offer of up to approximately \$160,501 will be used as additional working capital for the Company and also to meet Offer expenses of approximately \$10,000.

3.2 The Offer

The Company is making a pro-rata non-renounceable rights issue to Shareholders who are registered as at 5.00pm WST on 28 July 2006 (**Record Date**) of up to 32,100,300 Options at an issue price of one half a cent (0.5 cents) each to raise up to approximately \$160,501 (before costs of the Offer).

The Options will be offered on the basis of one (1) Option for every one (1) Share then held.

The maximum number of Options which could therefore be issued under this Prospectus is 32,100,300.

In the calculation of any entitlement, fractions will be irrelevant.

This Offer is made on a non-renounceable basis such that Shareholders who are registered as at the Record Date may not sell or transfer all or part of their entitlement to Options.

The Entitlement of each Shareholder is shown on the Entitlement and Acceptance Form accompanying this Prospectus.

3.3 Minimum Subscription

There is no minimum subscription. The reason that no minimum subscription has been set is because the Company has sufficient working capital available to meet its objectives as set out in the May 2006 Prospectus. Any capital raised pursuant to this Offer will be applied as additional working capital and will have no effect on the existing budgets and work programmes of the Company.

3.4 Oversubscriptions

Oversubscriptions will not be accepted.

3.5 Action Required

If you wish to take up **all** of your Entitlement, complete the enclosed Entitlement and Acceptance Form in accordance with the instructions set out and lodge the form together with your cheque for the amount shown on the form so that it reaches the Company's share registry:

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

by no later than 5.00pm WST on 18 August 2006.

Cheques and drafts should be made payable to "The Gold Company Ltd – Trust Account" and crossed "Not Negotiable".

If you wish to take up **part** of your Entitlement, complete the enclosed Entitlement and Acceptance Form in respect of the Options you wish to take up in accordance with the instructions set out in the form and lodge the form together with your cheque for the relevant amount (being the number of Options you wish to take up multiplied by one half a cent per Option) so that it reaches the Company's share registry by no later than 5.00pm WST on 18 August 2006.

If you do not wish to take up any of your Entitlement, you do not need to take any action and your entitlement to the Options will lapse.

Those people applying for Shortfall Options at the instruction of the Directors should complete the Shortfall Application Form.

3.6 Underwriting

The Offer is fully underwritten by the Underwriter. The terms of the underwriting are set out in section 9.

3.7 Closing Date

The Closing Date for the Offer is 5.00pm WST on 18 August 2006. The Directors reserve the right to extend the Closing Date by giving at least 6 business days notice to the ASX should it be considered by them necessary to do so. As such, the date the Options are expected to commence trading on ASX may vary with any change in the Closing Date.

3.8 Shortfall

Any Entitlement not accepted will form the Shortfall. The Company reserves the right, within 3 months of the Closing Date, to allot and issue the Shortfall at the discretion of the Underwriter, in consultation with the Directors.

3.9 Allotment

The Options will be allotted and issued as soon as practicable after the Closing Date.

Statements of holding for the Options will be mailed to applicants as soon as practicable after the Closing Date.

Prior to allotment of the Options, all application moneys will be held in trust for applicants. The Company will retain any interest earned on the application moneys.

No Options will be allotted and issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

3.10 ASX Quotation

Application to ASX for admission of the Options to Official Quotation will be made by the Company within seven (7) days of the date of this Prospectus.

If the Options are not admitted to Official Quotation on ASX within three (3) months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the Options offered by this Prospectus will be granted. In that circumstance, all applications will be dealt with in accordance with section 724 of the Corporations Act.

3.11 Overseas Shareholders

No action has been taken to register or qualify the Options or otherwise to permit a public offering of the Options in any jurisdiction outside Australia.

Shareholders resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept or deal with their Entitlement. The return of a completed Entitlement and Acceptance Form from a non-resident applicant will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained and that the Company may legally issue the Options to the applicant.

3.12 Taxation Implications

The Directors do not consider it appropriate to give potential applicants advice regarding the taxation consequences of applying for Options as it is not feasible to provide a comprehensive summary of the possible taxation positions of potential applicants. The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to potential applicants as a result of subscriptions for Options under the Offer. Potential applicants should, therefore, consult their own professional advisers in connection with the taxation implications of applying for Options.

3.13 Enquiries

If you have any questions concerning the Offer, please contact the Company on (61 8) 9320 5128 or contact your professional adviser.

4. INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

4.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, however it incorporates by reference information contained in a document that has been lodged with the ASIC.

The information to be incorporated by reference into this Prospectus is summarised below in section 4.2 of this Prospectus and will primarily be of interest to investors and their professional advisers or analysts.

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the May 2006 Prospectus by contacting the Company at its registered office during normal business hours during the Offer Period. The May 2006 Prospectus will also be available by searching ASIC's records in relation to the Company and at www.thegoldcompany.com.au.

4.2 Summary of Information Deemed to be Incorporated

Set out below is a summary of the information contained in the May 2006 Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the Options, they should obtain a copy of the May 2006 Prospectus.

The Sections referred to below are a reference to sections in the May 2006 Prospectus.

Section 3 – Investment Overview

Section 3 relevantly provides the objectives of the offer and the use of proceeds.

Section 4 – Details of the Offer

Section 4 relevantly provides the Company's participation in CHESS and that there are no prospective financial forecasts.

Section 5 – Company and Project Overview

Section 5 provides an overview of the Company and its strategy and further sets out a summary of its operations.

Section 6 – Directors and Corporate Governance

Section 6 contains information relating to the Directors and a summary of the Company's approach to corporate governance.

Section 7 – Risk Factors

Section 7 notes an investment in Shares is highly speculative as the Company is an early stage gold exploration company. The section lists a number of specific and general risks that may have a material effect on the financial position and performance of the Company and the value of its securities, as well as the Company's exploration, any development and mining activities and an ability to fund those activities.

Section 8 – Independent Geologist's Report

Section 8 consists of the Independent Geologist's Report. The Independent Geologist's Report describes the geological setting and historical exploration carried out on the granted tenement to which the Company has all mineral rights. The Independent Geologist's Report also sets out details of the prospectivity and proposed exploration programmes on that tenement.

Section 9 – Independent Accountant's Report

Section 10 comprises the Independent Accountant's Report to assist investors and their financial advisers in making an assessment of the financial position of the Company.

Section 10 – Solicitors Report

Section 10 consists of a report prepared by Fairweather & Lemonis on the tenements to which the Company has an interest. The Report details the titleholders of these mining tenements and any material conditions in respect of the tenements. A schedule to the report summarises an agreement by which the Company acquires all the mineral rights in respect of a tenement.

Section 11 – Summary of Material Contracts

Section 11 contains a summary of a contract material to investors other than the contract summarised in the schedule to the Solicitors Report. The summary in section 11 is of an agreement with the executive director Mr Jeremy Whybrow.

Section 12 – Additional Information

Section 12 sets out additional information required to be disclosed in the May 2006 Prospectus including:

- (a) Interests of directors;
- (b) Interests of experts and advisors;
- (c) Rights and liabilities attaching to Shares;
- (d) Director Protection Deeds;
- (e) Company tax status and financial year;
- (f) Dividend policy;

- (g) Expenses of the offer; and
- (h) Consents of parties named in the May 2006 Prospectus.

5. COMPANY OVERVIEW

5.1 Overview and Reference to May 2006 Prospectus

A comprehensive overview of the Company is set out in the May 2006 Prospectus and that was lodged with ASIC on 4 May 2006 for the public offering of up to 20,000,000 Shares (including oversubscriptions). Persons considering subscribing for Options under this Prospectus should refer to section 4 of this Prospectus for a summary of the information contained in the May 2006 Prospectus deemed to be incorporated in this Prospectus.

In June 2006, 20,000,000 Shares were allotted and issued at an issue price of 20 cents each pursuant to applications received under the May 2006 Prospectus.

The Company now has 32,100,300 Shares on issue.

Of these 11,550,285 are subject to ASX escrow.

1,710,000 are subject to escrow for 1 year from 13 April 2006

1,100,000 are subject to escrow for 1 year from 7 June 2006

8,740,285 are subject to escrow for 2 years from the date of initial quotation of the securities of the company.

5.2 Circumstances of Matters Subsequent to May 2006 Prospectus

The Shares of the Company were initially quoted on the ASX on 20 June 2006.

Other than as stated in this Prospectus, the Company is not aware of any other material matter or circumstance that would impact on the contents of the May 2006 Prospectus or the activities and prospects of the Company and be relevant to assist investors or their professional advisers making an informed assessment of relevant matters.

6. EFFECT OF THE OFFER ON THE COMPANY

6.1 Effect of the Issue on the Capital Structure of the Company

Under the Offer up to 32,100,300 Options will be issued.

Upon completion of the Offer, the issued capital of the Company will comprise:

Shares	Number
Shares at the date of this Prospectus	32,100,300
Offered pursuant to this Prospectus	Nil
Post Completion of Offer	32,100,300

Options	Number
Options offered pursuant to this Prospectus	32,100,300

Note:

The proceeds from the issue of the Options if fully subscribed will be approximately \$160,501. The Company intends to apply the funds raised under this Prospectus as set out in section 3.1.

6.2 Pro Forma Consolidated Statement of Financial Position

The unaudited proforma consolidated statement of financial position has been prepared by adjusting the unaudited statement of financial position as at 13 June 2006 to reflect the financial effect of the following transactions as if they had occurred at 13 June 2006.

- (a) Issue of 32,100,300 Options at an issue price of one half a cent each in accordance with this Prospectus raising \$160,501;
- (b) Costs of \$10,000 associated with the Option issue by this Prospectus.

	Unaudited 13 June 2006 \$	Unaudited Proforma 13 June 2006 \$
ASSETS		
Current Assets		
Cash and cash equivalents	3,676,573	3,827,074
Trade & other receivables	32,000	32,000
Total Current Assets	<u>3,708,573</u>	<u>3,859,074</u>

Non Current Assets		
Plant and equipment	-	-
Exploration and evaluation expenditure	345,275	345,275
Total Non Current Assets	<u>345,275</u>	<u>345,275</u>
TOTAL ASSETS	<u>4,053,848</u>	<u>4,204,349</u>
LIABILITIES		
Current Liabilities		
Trade and other payables	-	-
Total Current Liabilities	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
NET ASSETS	<u>4,053,848</u>	<u>4,204,349</u>
EQUITY		
Issued Capital	4,055,060	4,205,561
Accumulated losses	(1,212)	(1,212)
TOTAL EQUITY	<u>4,053,848</u>	<u>4,204,349</u>

7. TERMS OF OPTIONS AND RIGHTS ATTACHING TO SHARES

7.1 Terms and Conditions of Options

The terms and conditions of the Options are as follows:

- (a) Each Option entitles the holder to one (1) Share.
- (b) The Options are exercisable at any time prior to 5pm Western Standard Time on 30 June 2011 (Expiry Date).
- (c) The exercise price of the Options is 20 cents per Option.
- (d) The Options are freely transferable.
- (e) The Company will provide to each Options holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder in accordance with paragraph (e) will be allotted and issued a Share ranking pari passu with the then issued Shares.
- (g) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Option holders the opportunity (where available) to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

- (j) In the event that the Company makes a pro rata issue of securities, the exercise price of the Options will be adjusted in accordance with the formula set out in Listing Rule 6.22.2.

7.2 Rights Attaching to Shares Upon Conversion of Options

There is only one class of Share on issue in the Company being fully paid ordinary Shares. The rights and liabilities attaching to Shares in the Company are:

- (a) set out in the Constitution of the Company, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Voting

At any meeting, each Shareholder present in person or by proxy, attorney or representative has one vote for each ordinary fully paid Share held either upon a show of hands or by a poll. Holders of partly paid shares shall have a fraction of a vote for each partly paid share held with the fractional vote of each share being equivalent to the proportion which the amount actually paid (not credited) for that share is of the total amounts paid and payable (excluding amounts credited) for that share. Amounts paid in advance of a call are ignored when calculating proportions.

The holder of a partly paid share shall not be entitled to vote at a meeting in respect of those shares on which calls are outstanding.

Subject to the Corporations Act in relation to a special resolution, a resolution of members at a general meeting will be carried if more than one half of the votes at the meeting are cast in favour of the resolution.

General Meetings

Each ordinary Shareholder in the Company will be entitled to receive notice of and attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution of the Company or the Corporations Act. The Directors may whenever they think fit, convene a general meeting of the members of the Company and the Directors will convene a general meeting whenever requisitioned by the members in accordance with the Corporations Act.

Dividends

The profits of the Company, which the Directors may from time to time determine to distribute to the members by way of dividend, will be divisible amongst the members in proportion to the amounts paid on the shares held by them, subject to the rights attached to any shares issued upon special terms.

An amount paid in advance of a call is not to be included as an amount paid on a share for the purposes of calculating entitlement to dividends for such a share.

No dividend is currently declared or proposed.

Rights on Winding Up

Subject to the rights of members (if any) entitled to shares with special rights in a winding up, all monies and property that are to be distributed amongst members on a winding up, shall be distributed in proportion to the shares held by them respectively, irrespective of the amount paid up or credited as paid up on the Shares.

Transfer of Shares

Subject to the Constitution of the Company, the Corporations Act, the Listing Rules and any other applicable law of Australia, Shares are freely transferable.

Variation of Rights

The rights, privileges and restrictions attaching to Shares of a class, can be altered, with the approval of a special resolution passed at a separate general meeting of the holders of shares of that class, (being a three quarters majority of those holders who, being entitled to do so, vote at that meeting) or with the written consent of the holders of at least three quarters of that class of shares on issue. Any variation is subject to the provisions of the Corporations Act.

Creation and Issue of further Shares

The issue and allotment of any additional shares is under the control of the Directors, and, subject to any restriction on the issue and allotment of shares imposed by the Constitution of the Company, the Corporations Act, the Listing Rules or as may be directed by the members of the Company of a general meeting when authorising the issue of any new shares, the Directors may issue and allot such shares on such terms and conditions and with such rights and privileges as they deem fit.

Predominance of Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a

provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

8. ADDITIONAL INFORMATION

8.1 Market Price of Ordinary Shares

The Shares of the Company were initially quoted on the ASX on 20 June 2006.

The highest and lowest recorded market sale prices of the Shares quoted on ASX from 20 June 2006 to the date of this Prospectus were 50 cents on 7 and 10 July 2006 and 23 cents on 20 June 2006 respectively.

The last market sale price of the Shares on ASX on the last day that trading took place in these shares prior to the date of this Prospectus on 12 July 2006 was 48 cents.

8.2 Legal Proceedings

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against any of them.

8.3 Interests of Directors and Experts

A full disclosure of the interests of Directors, experts and promoters of and to the Company for the 2 year period prior to the date of issue of the May 2006 Prospectus are set out in section 12 of the May 2006 Prospectus and other than as set out below or elsewhere in this Prospectus, that information and disclosure remains current.

The relevant interests of the Directors in the securities of the Company at the date of this Prospectus are as follows:

Directors	Number of Shares
Simon Cato	800,100 Shares
Miles Guy	200,000 Shares
Jeremy Whybrow	700,100 Shares

Fairweather & Lemonis has acted as Solicitor to the Company in relation to the Offer. The Company estimates it will pay Fairweather & Lemonis \$2,000 (exclusive of goods and services tax) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

8.4 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$10,000 including legal costs, accounting fees, ASX fees, printing and other administrative expenses.

9. MATERIAL CONTRACTS

Section 11 and Schedule 2 to the Solicitors Report in section 10 of the May 2006 Prospectus which are referred to in section 4 of this Prospectus, set out contracts to which the Company is a party and that were considered by the Directors as being material to enable investors to make an informed assessment of the Shares being offered under the May 2006 Prospectus. Investors and their professional advisers are referred to those sections of the May 2006 Prospectus in relation to material contracts.

Other than the contracts referred to in the May 2006 Prospectus, the only other material contract entered into by the Company material to investors is the underwriting mandate agreement entered into by the Company with the Underwriter dated 10 July 2006.

By the mandate agreement the Underwriter for a period of 6 months commencing 10 July 2006 agreed to underwrite a non-renounceable Option issue at one-half a cent each to raise up to approximately \$160,501 which is constituted by this Offer.

No fee is payable for the underwriting of this Offer other than the Underwriter having the right to nominate the allottees of the Shortfall. The underwriting commitment is not subject to any conditions precedent or specific termination events. The Company warrants all information provided to the Underwriter is not false, misleading or deceptive and the Company further indemnifies the Underwriter and its associates for claims arising from its engagement other than claims arising from gross negligence or wilful default of the Underwriter or its associates.

10. CONSENTS

The following persons have each consented to the inclusion of the following statements and statements identified in this Prospectus as being based on statements made by those persons, in the form and context in which they are included or referred, and have not withdrawn that consent before lodgement of this Prospectus with the ASIC:

- (a) Ord Corporate Pty Ltd has given its written consent in relation to the Independent Accountant's Report in section 9 of the May 2006 Prospectus and the reference to that report in this Prospectus. Ord Corporate Pty Ltd has also consented to being named in this Prospectus as Independent Accountant to the Company.
- (b) Geological Consultants Pty Ltd has given its consent in relation to the Independent Geologist's Report in section 8 of the May 2006 Prospectus and the reference to that report in this Prospectus and Geological Consultants Pty Ltd has also consented to being named in this Prospectus as Independent Geologist to the Company.
- (c) Fairweather & Lemonis has given its consent in relation to the Solicitors Report in section 10 of the May 2006 Prospectus. Fairweather & Lemonis has also consented to being named in this Prospectus as Solicitors to the Company.
- (d) Upper Mantle Investments Pty Ltd has given its written consent to being named in this Prospectus as the Underwriter to the Offer.

11. AUTHORITY OF DIRECTORS

This Prospectus is issued by the Company and in accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Dated: 13 day of July 2006.

A handwritten signature in black ink, appearing to read 'S. Cato', written in a cursive style.

Simon Cato
Chairman
The Gold Company Ltd

12. DEFINITIONS

ASIC means Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited (ACN 008 624 691).

Board means the board of Directors unless the context indicates otherwise.

Closing Date means 5.00pm WST on 18 August 2006.

Company or **The Gold Company** means The Gold Company Ltd (ABN 85 118 463 004).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Dollar or \$ means Australian dollars unless otherwise stated.

Entitlement means the right of a Shareholder to subscribe for Options under the Offer.

Entitlement and Acceptance Form means the personalised entitlement and acceptance form attached to or accompanying this Prospectus.

May 2006 Prospectus means the prospectus lodged by the Company with the ASIC on 4 May 2006.

Listing Rules means the Listing Rules of ASX.

Offer means the offer of Options pursuant to this Prospectus.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official List means the Official List of ASX.

Official Quotation means official quotation by ASX in accordance with the Listing Rules.

Opening Date means the date on which the Offer opens.

Option means an option to acquire a Share in the capital of the Company.

Prospectus means this prospectus dated 13 July 2006.

Record Date means 28 July 2006 being the date for determining the Shareholder's Entitlement to participate in this Offer.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Options forming Entitlements, or parts of Entitlements, not accepted by Shareholders.

Underwriter means Upper Mantle Investments Pty Ltd (ACN 096 495 037).

WST means Western Standard Time, Perth, Western Australia.

**THE GOLD COMPANY LIMITED
ABN 85 118 463 004**

ENTITLEMENT AND ACCEPTANCE FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT,
PLEASE CONTACT YOUR STOCKBROKER OR LICENSED PROFESSIONAL ADVISOR

REGISTERED OFFICE
6 Ord Street
WEST PERTH WA 6005

SHARE REGISTRY
Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Non-renounceable entitlement issue of approximately 32,100,300 options to be quoted expiring 30 June 2011 on the basis of 1 Option for every 1 Share held, at an issue price of one-half a cent each (0.5 cents).

Non-renounceable entitlement, closing 5.00pm Western Standard Time on 18 August 2006.

Shareholding at 5.00pm
on 28 July 2006
Entitlement to new Options
on 1:1 basis
Amount Payable at
0.5 cents per new Option

To the Directors
THE GOLD COMPANY LIMITED

1. I/We the above mentioned, being registered on 28 July 2006 as the holder(s) of ordinary shares in your Company hereby accept the below mentioned options in accordance with the enclosed Prospectus;
2. I/We enclose my/our cheque made payable to THE GOLD COMPANY LIMITED – TRUST ACCOUNT, for the amount shown being payment at the rate of 0.5 cents per Option.
3. I/We hereby authorise you to place my/our name(s) on the registers of option holders in respect of the number of Options allotted to me/us and;
4. I/We agree to be bound by the Constitution of the Company.

RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR
ACCEPTANCE OF THE SECURITIES BEING OFFERED

Options Accepted	Amount Enclosed at 0.5 cents per Option

PLEASE ENTER CHEQUE DETAILS THANKYOU	Drawer	Bank	Branch	Amount

My/Our contact numbers in the case of enquiry are:

Telephone : () Fax : ()

Email :

NOTE : Cheques should be made payable to THE GOLD COMPANY LIMITED – TRUST ACCOUNT, crossed NOT NEGOTIABLE and forwarded to Advanced Share Registry Services, PO Box 1156, Nedlands, Western Australia, 6909 to arrive no later that 5.00pm Western Standard time on 18 August 2006.

<p>Complete this panel and sign below only if a change of address is to be registered with the Company</p> <p>New Address :</p> <p>Signature(s) : Date :</p> <p>Please indicate correct title: Director / Secretary /</p>

ISSUE CLOSES 5.00PM W.S.T ON 18 AUGUST 2006
THE DIRECTORS RESERVE THE RIGHT TO MAKE AMENDMENTS TO THIS FORM WHERE APPROPRIATE
PLEASE REFER OVERLEAF FOR INSTRUCTIONS

EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of Options which you are entitled to accept.
2. Your entitlement may be accepted either in full or in part. There is no minimum acceptance.
3. You may not apply for Options in excess of your maximum entitlement.
4. The price payable on acceptance of each Option is 0.5 cents.
5. You may accept your entitlement in full by completing the Entitlement and Acceptance Form overleaf.

APPLICATION INSTRUCTIONS

1. The issue price of 0.5 cents per Option is payable in full upon application.
2. Payments must be made in Australian currency by cheque or bank draft drawn on and payable at a bank within Australia. Cheques or bank drafts drawn on banks outside Australia in either Australian currency or in foreign currency will not be accepted.
3. The cheques must be made payable to THE GOLD COMPANY LIMITED – TRUST ACCOUNT and crossed "Not Negotiable".
4. When completed, this form together with the appropriate payment in Australian currency should be forwarded to THE GOLD COMPANY LIMITED, C/- Advanced Share Registry Services.
5. Acceptances must be received by Advanced Share Registry Services no later than 5.00pm W.S.T on 18 August 2006.

ENQUIRIES

Any enquiries should be directed to the Company's Share Registry

Advanced Share Registry Services
110 Stirling Highway
Nedlands, Western AUSTRALIA 6009

Telephone : (61 8) 9389 8033

Facsimile : (61 8) 9389 7871