EUROGOLD

LIMITED

(ACN 009 070 384)

ASX/ MEDIA ANNOUNCEMENT

Eurogold Doubles Saulyak Resource Estimate

1 July 2005 **ASX & AIM Symbol "EUG"**

Eurogold Limited today announced a substantial increase in the size of the known gold resource at the Company's 100% owned Saulyak Gold Project in Ukraine.

In August 2004, Eurogold commenced an exploration programme at its Saulyak Gold Project to validate previous work and extend the known resource. The Company has now completed a review of the results, both from its own drilling programme and previous Soviet drilling. This work has been conducted in order to estimate the number of additional ounces down dip from the previously announced Soviet C1 and C2 category of 578,000 ounces of gold.

The result of this review is an additional in situ resource estimate of 2.5 million tonnes of ore at a gold grade of 8 g/t containing 650,000 ounces of gold.

This review suggests that the Saulyak resource may now be in excess of 1.2 million ounces. The downdip calculation has been done in accordance with relevant guidelines provided by the JORC code.

Eurogold intends to treat the Saulyak ore at the Transgold plant (50% Eurogold) across the border in Baia Mare, Romania.

Eurogold's Chairman, Mr Peter Gunzburg, said the new resource estimate at Saulyak represented another major milestone for the Company.

"We are very pleased with the ongoing progress at Saulyak which is testament to the skills of our exploration team and commitment to consolidating our position in the Carpathian Mountains of Central Europe," Mr Gunzburg said.

The existence of ore grade mineralisation was established in the 1980's by extensive development and sampling of drives and crosscuts on two adit levels driven into the side of the mountain. Proof that the orebody extended down-dip with sufficient integrity to justify economic exploitation was always hampered by inconsistent results from deep exploration drilling. Drillholes demonstrated that there was broad continuity of the potentially mineralised alteration zone, but due to patchy grades and poor core recovery, determination of any controlling trends to the orebody remained speculative.

The Company was able to successfully complete drillholes, as well as maximise core recovery and core quality, by introducing double tube core barrels, new drilling chemicals and intensive training to the local drilling crews in the use of new technology methods.

Mr Gunzburg said this work provided support for the very good mineralised intersection returned by drillhole C304 that until now appeared to have little support from surrounding drillholes.

"We are very encouraged by our interpretation of drillholes that intersect a contiguous area of mineralisation which forms the basis for an estimation of an inferred down-dip resource at Saulyak."

Geoinformatics consultants assisted Eurogold with the strategic targeting of drillholes during 2004.

"We continue to be focused on successfully merging and ramping up our Ukraine and Romanian operations so that Eurogold can take its place alongside the other mid-sized producers of the former Soviet Union," Mr Gunzburg said.

-ENDS-

Further Information:

Peter Gunzburg	**John McGlue**
Executive Chairman	**Porter Novelli**
Eurogold Limited	
Tel: +61 8 9481 0572	**Tel: +61 8 9386 1233**
Mob: +61 (0)412 927 773	**Mob: +61 (0)417 926 915**

About Eurogold

Eurogold Limited is a West Australian based gold mining company dual-listed on the Australian Stock Exchange and the Alternative Investment Market of the London Stock Exchange (ASX/AIM: EUG). The Company is a gold acquirer, producer and explorer in the highly prospective Carpathian Mountains of Eastern Europe, principally in the emerging democracies of Romania and Ukraine.

In 2004, Eurogold acquired significant assets in Ukraine which coincided with its AIM listing. Of the Company's four separate project areas (Baia Mare, Baia Mare Exploration, Saulyak and Berehove) the principle asset is the Saulyak gold deposit, near the border of Romania. During the Soviet era a resource of 578,000 ounces was identified at the project.

Backed by its West Australian gold mining expertise and a strong management team, Eurogold has been granted eight exploration and mining tenements covering an aggregate area of approximately 400km^2 in Eastern Europe. Eurogold is now implementing its strategy for developing near surface gold mineralisation throughout the region.

About the Carpathian Mountains

The Carpathian Mountains are one of the richest mineral provinces in Europe, stretching through Eastern Europe from Poland to Bulgaria via Slovakia, Ukraine, Hungary, Romania and Serbia.

The region hosts several substantial mines producing gold, silver, copper and other base metals. The largest gold occurrences identified to date are the 10 million ounce Rosia Montana and the 3.5 million ounce Certej deposits, both situated to the south west of Baia Mare.

Historically gold has been mined in the Carpathians since the days of the Roman Empire, however more recently mining has been firmly focussed on the extraction of deep, vein-hosted base metal mineralisation and hence gold exploration has been a low-priority activity.