

QUARTERLY REPORT

D'AGUILAR
GOLD LIMITED



HIGHLIGHTS

Solomon Gold plc (LSE-AIM: SOLG-DGR 35.2 million shares, 15.6%) Re-rated following exciting gold exploration results from Fauro Island, Solomon Islands. Current market value of DGR holding (22 October) is AUD18.59 million.

Mt Isa Metals Limited (ASX Code: MET- DGR 52 million shares, 38%) Re-rated on recognition of highly prospective and extensive gold exploration tenement holdings in West Africa. Current market value of DGR holding (19 October) is AUD20.8 million.

DGR nickel-cobalt subsidiary **AusNiCo Ltd** (ASX: ANW) IPO closed oversubscribed and listed 21 October. Post IPO DGR holds 58.85 million shares representing 53% of the company, with a listing value of A\$11.8 million.

DGR energy subsidiary **Armour Energy Pty Ltd** applied for whole new gas province in the Northern Territory with Permit Application area totalling 118,814 square kilometres. Underwritten capital raisings and ASX listing planned during the current financial year.

DGR subsidiary **Navaho Gold Pty Ltd** (DGR 58%) which holds substantial exploration permit areas in Queensland (Georgetown, North Bowen Basin and Texas areas) finalises farm-in agreements for highly prospective 'Carlin style' gold properties on the Carlin and Battle Mountain-Eureka Trends in Nevada, USA and completes an AUD1 million seed capital raising ahead of a planned IPO and ASX listing in early 2011.

Agreement for scrip-based merger of subsidiary **Ridge Exploration Pty Ltd** (DGR 86%) with Canadian Resources Company **Coltstar Ventures** (TSX.V: CTR)

nears finalisation. DGR will emerge with approx 23% of CTR. Current market value of 8.6 million CTR shares (19 October) is AUD5.2 million.

Plans well advanced for ASX listing of **Barlyne Mining Pty Ltd** (DGR 100%) and **Anduramba Molybdenum Pty Ltd** (DGR 100%).

SUMMARY

During the quarter D'Aguilar strongly advanced its objectives to become a diversified resource project generator and investment company. The D'Aguilar Gold group Corporate Structure is shown in Fig 1.

Solomon Gold plc (LSE: SOLG - 15.6% DGR owned) announced exciting first pass gold exploration results from several prospects in the Fauro Island Prospecting Licence area, Solomon Islands. Fauro Island is 100% owned by Solomon Gold. The announcements about Fauro led to a significant rerating of Solomon Gold by the LSE, with shares trading as high as 85pence (AUD1.38). Since the end of the quarter, further releases of drill data from Solomon Gold's Rannes Project in central Queensland have been made. Recent trading has settled around 33pence, valuing D'Aguilar Gold's holding at approx AUD18.59 million.

Solomon Gold raised STG15.1 million (approximately AUD25 M) on 22 October 2010 by issuing 54.02 million shares at 28p to large institutional investors in the UK and Australia.

SUMMARY (Cont'd)

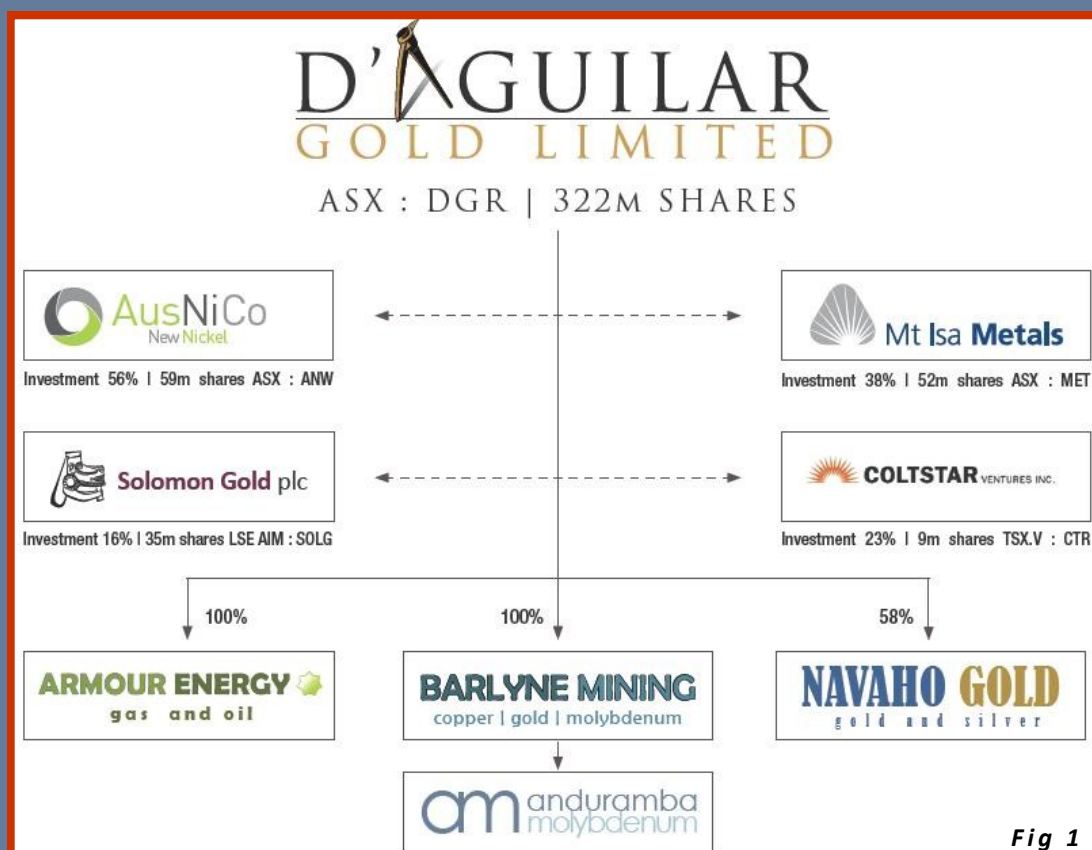
This will fund 35,000 metres of drilling over the next 12 months on Fauro Island and Queensland.

Mt Isa Metals Ltd (ASX: MET– 38% DGR owned) significantly re-rated following the recognition of highly prospective and extensive gold exploration tenement holdings in Burkina Faso, West Africa. In mid October the company completed a fully underwritten capital raising that will fund the first round of exploration and drilling on these tenements. The current market value of D'Aguilar Gold's holding is approx AUD20.8 million.

exploration permits areas in Queensland at Georgetown, North Bowen Basin and Texas that are highly prospective for 'Carlin-style' gold and silver.

During the quarter Navaho finalised several farm-in agreements on other highly prospective 'Carlin-style' gold properties on the Carlin and Battle Mountain-Eureka Trends in Nevada, USA. Navaho also completed an AUD1 million seed capital raising ahead of a planned IPO and ASX listing in early 2011.

While suffering some delays due to TSX regulatory



AusNiCo Ltd (ASX: ANW – 53% DGR owned post listing) successfully completed an IPO capital raising, which closed oversubscribed and listed on the ASX on 21 October 2011. D'Aguilar Gold's holding at listing (20 cents) is valued at AUD11.8million.

D'Aguilar Gold energy subsidiary **Armour Energy Pty Ltd** has applied for a whole new province, prospective for shale and conventional gas, covering more than 118,000 square kilometres in the Northern Territory.

Following the appointment of CEO Philip McNamara key petroleum and business consultants have been engaged, and access and operational preparations are well advanced. The province has the potential to rival and exceed the currently producing Haynesville, Barnett, Marcellus and Bakken Shales that are yielding high volume gas production in the USA.

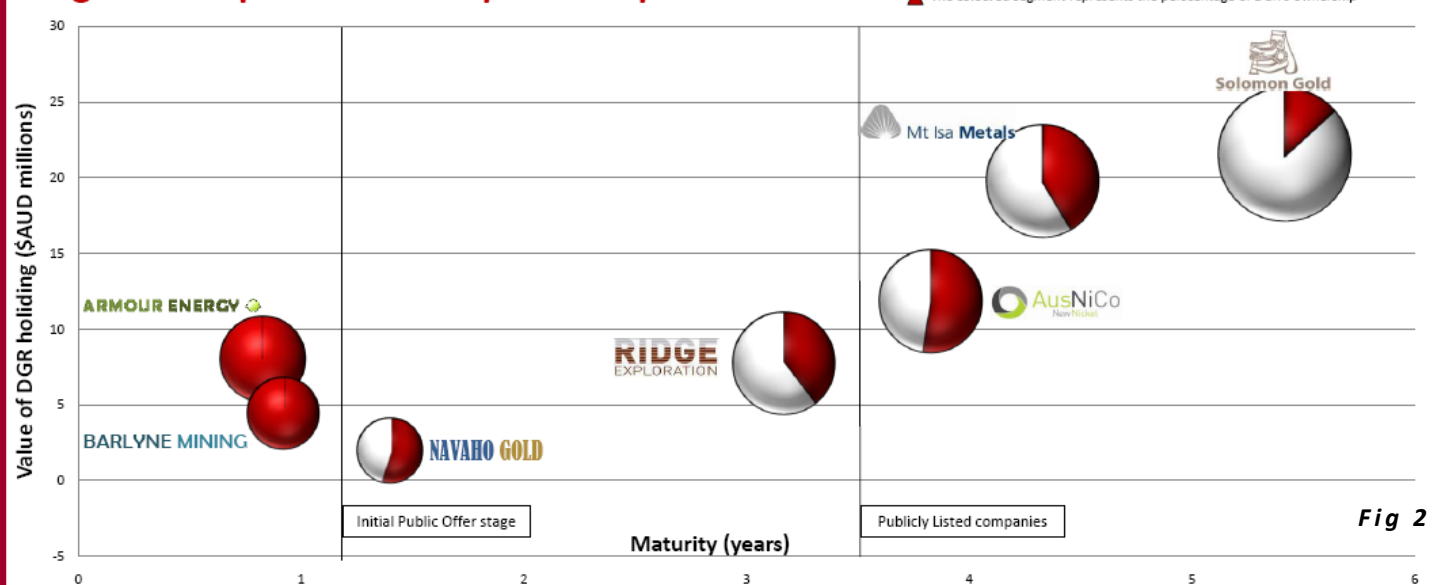
Navaho Gold Pty Ltd (58% DGR owned) holds substantial

requirements, the agreement for the scrip-based merger of subsidiary **Ridge Exploration Pty Ltd** (86% DGR) with Canadian resources company Coltstar Ventures Inc is nearing finalisation, with completion expected by mid November. D'Aguilar will emerge with approx 23% of Coltstar and a Director on the Coltstar Board. Current market value of the DGR holding is approx AUD6 million.

Recent improvements in mineral sand prices, particularly rutile, auger well for Ridges' projects which have yielded up to 32% TiO₂ and 50% iron in various laterites over an extensive area.

The market capitalisation of D'Aguilar Gold has improved markedly during the quarter however the net assets of the company still remain well in excess of the current market value ascribed to D'Aguilar and this is well illustrated in Fig 2.

D'Aguilar Corporate Development Pipeline



Solomon Gold

Gold & Porphyry Copper-Gold Solomon Islands & Queensland (LSE:AIM:SOLG)

D'Aguilar Gold holds 35.2 million shares representing 15.6% of Solomon Gold plc. These shares have a current market value (at 33pence) of AUD18.59 million. Details on Solomon Gold, its Board and projects can be viewed on the website solomongold.com. The company trades on the Alternative Investment Market of the London Stock Exchange with the code SOLG.

Solomon Gold's main projects are in Queensland and Solomon Islands (see Fig 3).

Solomon Gold has two key projects in Queensland – Rannes near Newcrest's Cracow gold mine, and Mt Perry beside Newcrest's (formerly Lihir Gold's) Mt Rawdon gold mine. Since acquiring the Rannes area (Central Minerals Pty Ltd) from D'Aguilar Gold in February this year Solomon has engaged two drilling rigs and recently announced a maiden resource of 200,000 ounces at the Crunchie prospect.

Solomon Gold has two main project areas in Solomon Islands. On Guadalcanal Newmont is earning a controlling position in joint venture on



Fig 3: Location of Solomon Gold Exploration Projects



Solomon Gold

Solomon Gold tenements located over one of the most comprehensive and relatively unexplored porphyry terrains in the south west Pacific 'Rim of Fire' next to world class porphyry copper gold mines at OK Tedi, Bougainville, Porgera and Grasberg (which have endowments of 40-160 million ounces of gold).

During the quarter Solomon Gold announced some exciting first pass gold exploration results from several prospects in the Fauro Island prospecting licence (100% Solomon Gold).

The announcements about Fauro led to a significant rerating of Solomon Gold on the London Stock Exchange, with shares previously trading at 5.5p reaching a high of 85p before settling at the recent trading levels of 33p. Fauro Island in the north west Solomon Islands is 80 kms south of the former Panguna mine

on Bougainville Island (see Fig 4). Fauro is a volcanic epithermal crater where the recent mapping, sampling surveys confirm the geology to be similar to the 40 million ounce Lihir Island gold mine now owned by Newcrest.

Solomon Gold has commenced a third exploration program on Fauro Island in October. This will include further surface sampling and trenching on prospects on Fauro Island (See Fig 5) and the preparation of drilling pads, as well as (subject to tenement grant) a first pass exploration program on the neighbouring Masa Masa and Piru Islands where the geophysical magnetic signatures are in places even more pronounced than on Fauro Island. D'Aguilar Gold will continue to advise shareholders of LSE announcements by Solomon Gold by flagging key results in announcements to the ASX however D'Aguilar Gold's shareholders should continue to monitor Solomon Gold on the Solomon website.



Fig 5: Trench sampling on Fauro Island

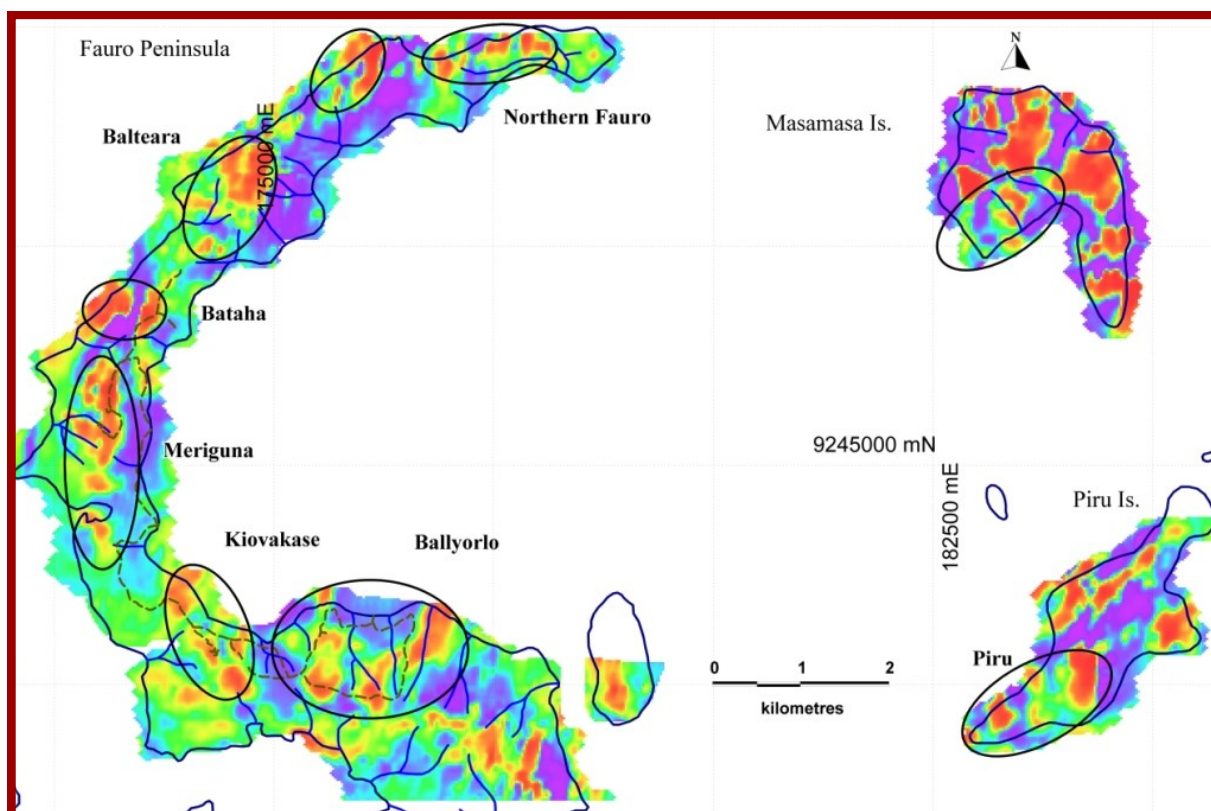


Fig 4: Fauro Prospects on aeromagnetic base



Mt Isa Metals

Copper and Gold—Mt Isa and West Africa (ASX:MET)

After the finalisation of the current non-renounceable rights issue D'Aguilar Gold holds 52 million shares representing approximately 38% of Mt Isa Metals. At the current price (19 October) of 40 cents the market value of this investment is A\$20.8 million. Mt Isa Metals (MET) holds strategic land positions in two world-class minerals provinces: the Mt Isa Inlier in Australia and the Birimian Gold Province in Burkina Faso, West Africa.

In the **Mt Isa region** MET holds 3,800 km² of tenements in 4 project areas focussed on copper and copper-gold targets (see Figure 6). The first two drill holes

structures already identified. High priority targets are expected to be drilled by year end.

West Africa is a world class gold province, host to more than fifty +1 million ounce gold deposits associated with the Birimian Greenstone (with close geological similarities to the greenstone belts of the Eastern Goldfields of Western Australia). MET has recently secured exploration permits with a total area in excess of 5,000 km² in Burkina Faso – an under-explored country that has a recent history of stable government with a modern system of mining law (see Figure 7).

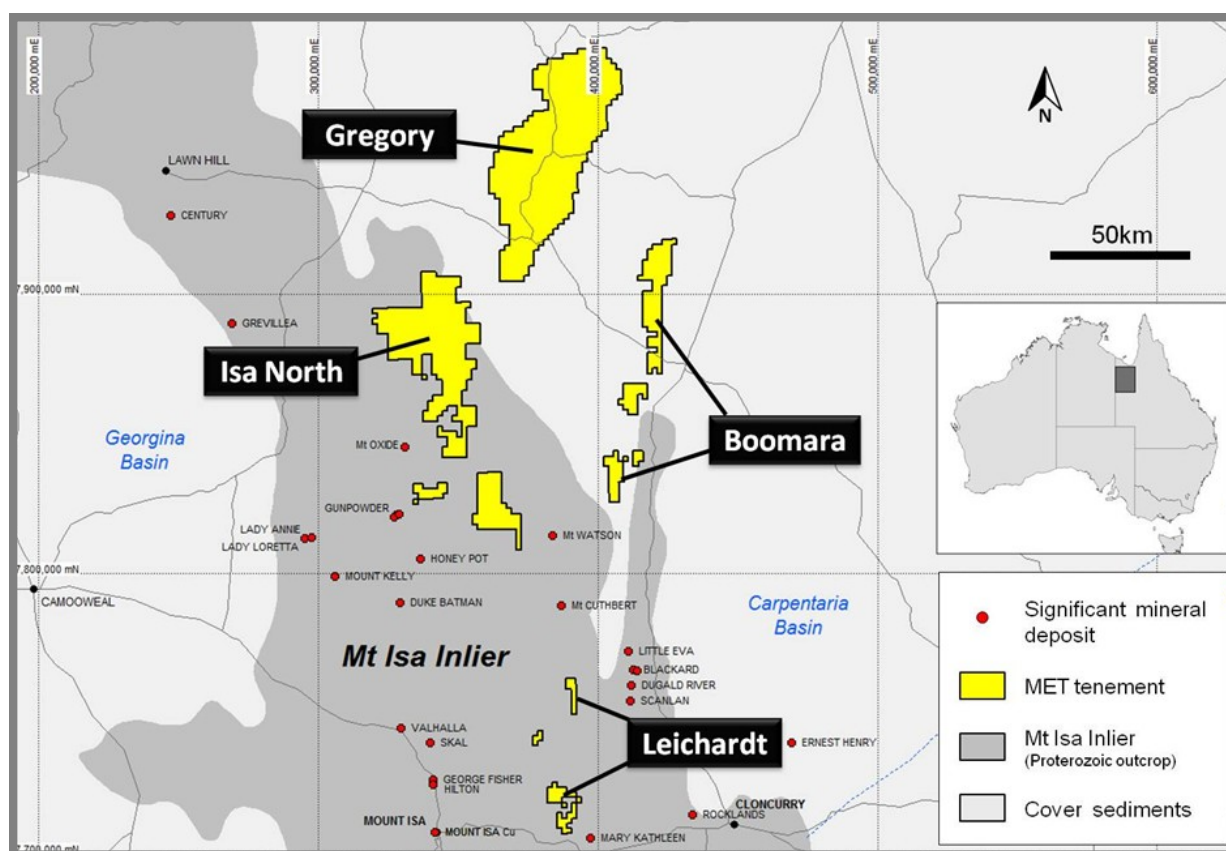


Fig 6: Location Plan – Mt Isa Metals Exploration Tenements and Project Areas

completed at Gregory (IOCG copper-gold targets) have revealed significant iron oxide alteration and a “live” copper system. The current focus is on the Leichardt project area where drilling is in progress and an initial resource has already been announced. Leichardt contains multiple near surface copper targets including Barbara North, Green Zone, North Gossan, Blue Star and Trey Bit. The company has recently undertaken a helicopter-borne geophysical survey over the Barbara prospect area to fast track identification of ‘hidden’ copper-gold targets, including testing the extension of

The MET “footprint” in Burkina Faso covers an area equivalent to holding all the Eastern Goldfields of Western Australia from west of Coolgardie, and bounded by Paddington in the north and Junction to the south – an area comparable to all other listed Australian explorers in Burkina Faso combined (including Ampella Mining, AusQuest, Blackthorn Resources, Carbine Resources, Grythor Minerals, Gold Rim Resources and Vital Metals).



Mt Isa Metals

MET commenced exploration in June and has already announced some exceptional gold assay values from initial rock sampling on several prospects highlighted by a 3.5km strike length of multiple high grade quartz lodes on the Nabanga Prospect. MET has announced a proposed exploration budget of AUD3 million for the

coming year, with the initial focus on mapping, rock chip sampling and drilling on artisanal gold sites. Once field work is able to commence in earnest at the conclusion of the current wet season a significant news flow is anticipated.

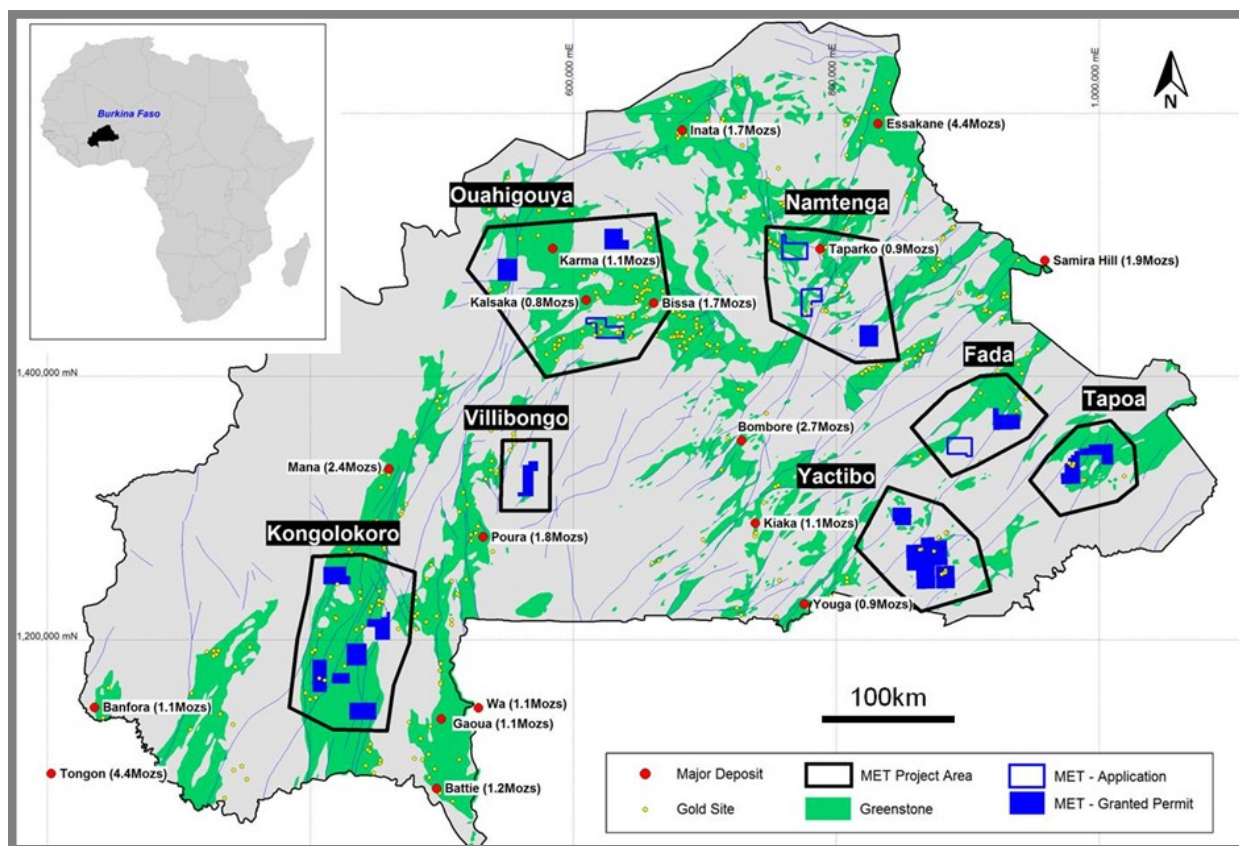


Fig 7: Location of Mt Isa Metals exploration tenements and Project Areas



New Nickel and Cobalt – Queensland

AusNiCo is focussed on defining and developing nickel sulphide and oxide mineralisation in extensive new provinces in Queensland. In 2008, the company discovered the first significant nickel sulphide mineralisation in Qld at Pembroke near Kilkivan in Hole PEM 2 (4.2 metres @ 1.1% nickel within a 50 metres zone averaging 0.34% Ni near surface). A large zone of oxide nickel mineralisation is under assessment at Mt Cobalt in the same area. The prospect has been drilled by AusNiCo and substantial oxide in a hydrothermally altered serpentinite host has been outlined.

D'Aguilar has identified potential for a deeper sulphide occurrence coincident with a large magnetic anomaly. During the quarter the prospectus for the IPO and subsequent listing of AusNiCo on the ASX was lodged with the Australian Investment and Securities Commission. The offer closed oversubscribed on 1 October, and following a scale back process the allotment of shares was concluded on 15 October. The company commenced trading on the ASX on Thursday 21 October.



Offers Opportunity for Exposure

- ◆ To multiple commodities, including nickel, gold, silver, copper, cobalt and platinum group metals;
- ◆ To an extensive package of tenements with encouraging mineralisation in an area of continuing industrial growth and established infrastructure (see Figure 8);
- ◆ To advanced targets with the prospect of rapid drilling results;
- ◆ To an accomplished Board and Management with substantial experience in the fields of large project exploration and development, and Nickel project development.

The ASX debut of AusNiCo brings the employment of Mr John Downie as CEO, and Mr Stephen Roberts as Non-Executive Director of AusNiCo. Both appointees have a strong background in nickel exploration and resource development companies.

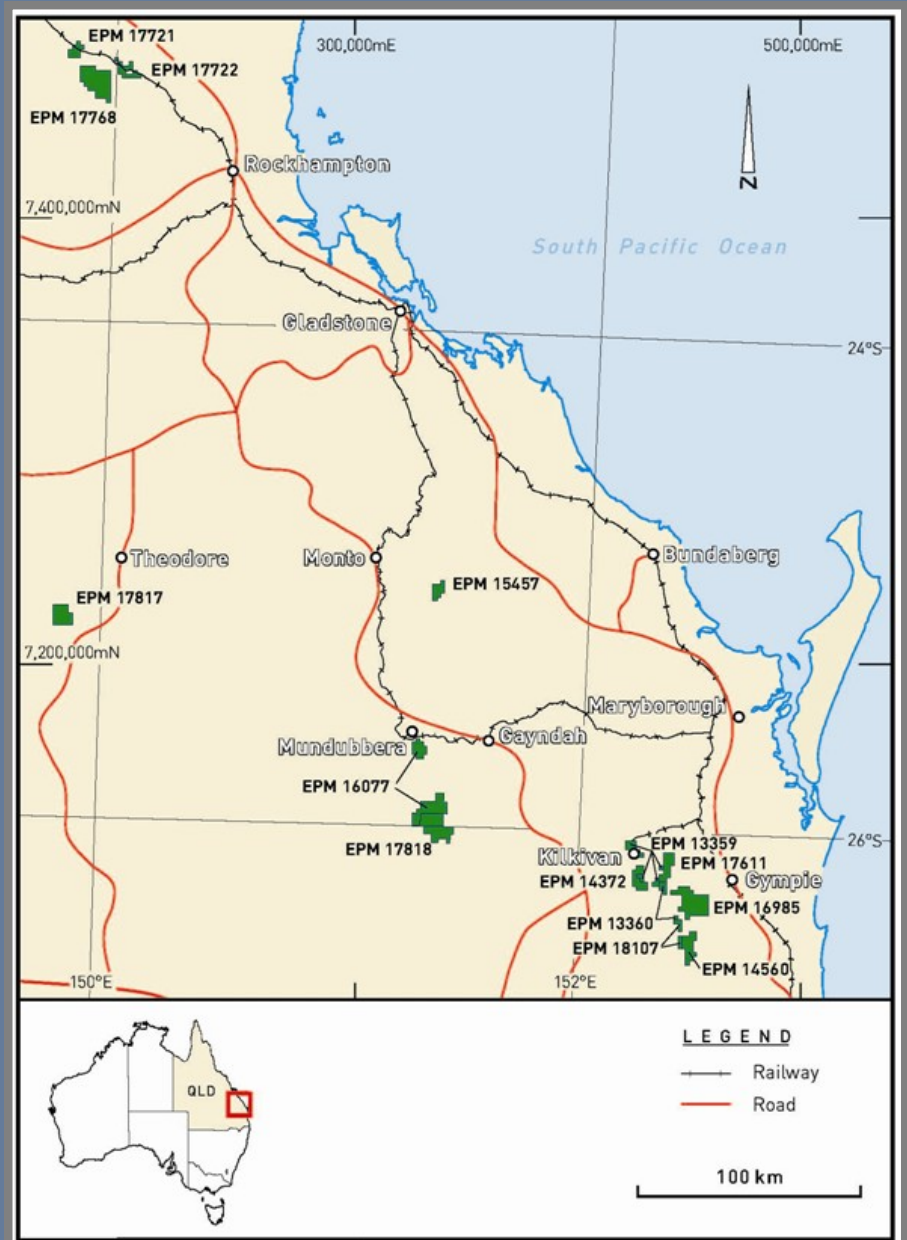


Fig: 8 AusNiCo Exploration Tenements in Queensland

New Shale Gas Province in the Northern Territory

Armour Energy is D'Aguilar Gold's recently formed energy subsidiary dedicated to the discovery and development of world class gas resources in an extensive new province in the Northern Territory. The area currently under application covers 118,814km² of the McArthur, South Nicholson and Georgina Basins. The area is host to numerous shows of gas, condensate, oil and bitumen in the proterozoic aged McArthur Group and Roper Group sediments as encountered by previous explorers including Amoco in the 1980s.

The area is also prospective for large shale gas resources which are expected to be comparable to or rival shale gas resources contained within known shale gas basins in the USA.

Armour has identified a core target area located within and adjacent to the fault bounded trough structure known as the Batten Trough (see Figure 9). The target sediments are the thickened sections of the gas rich Barney Creek Shale which has scope to host up to 40 TCF of gas in the area. Armour Energy is targeting 20TCF, equivalent to 21,100 Peta Joules (PJ), of shale gas in the Batten Trough.

Tenement review processes necessary prior to grant are well under way by Armour, with a focus on progressing Native Title discussions and negotiations with Traditional Owners.

Market Opportunities Identified

Several short term and lower volume market domestic industrial and power generation opportunities have been identified in and near to the exploration area, or adjacent pipeline infrastructure. Early exploration targets and ultimately reserve definition and production plans have been selected to address these opportunities.

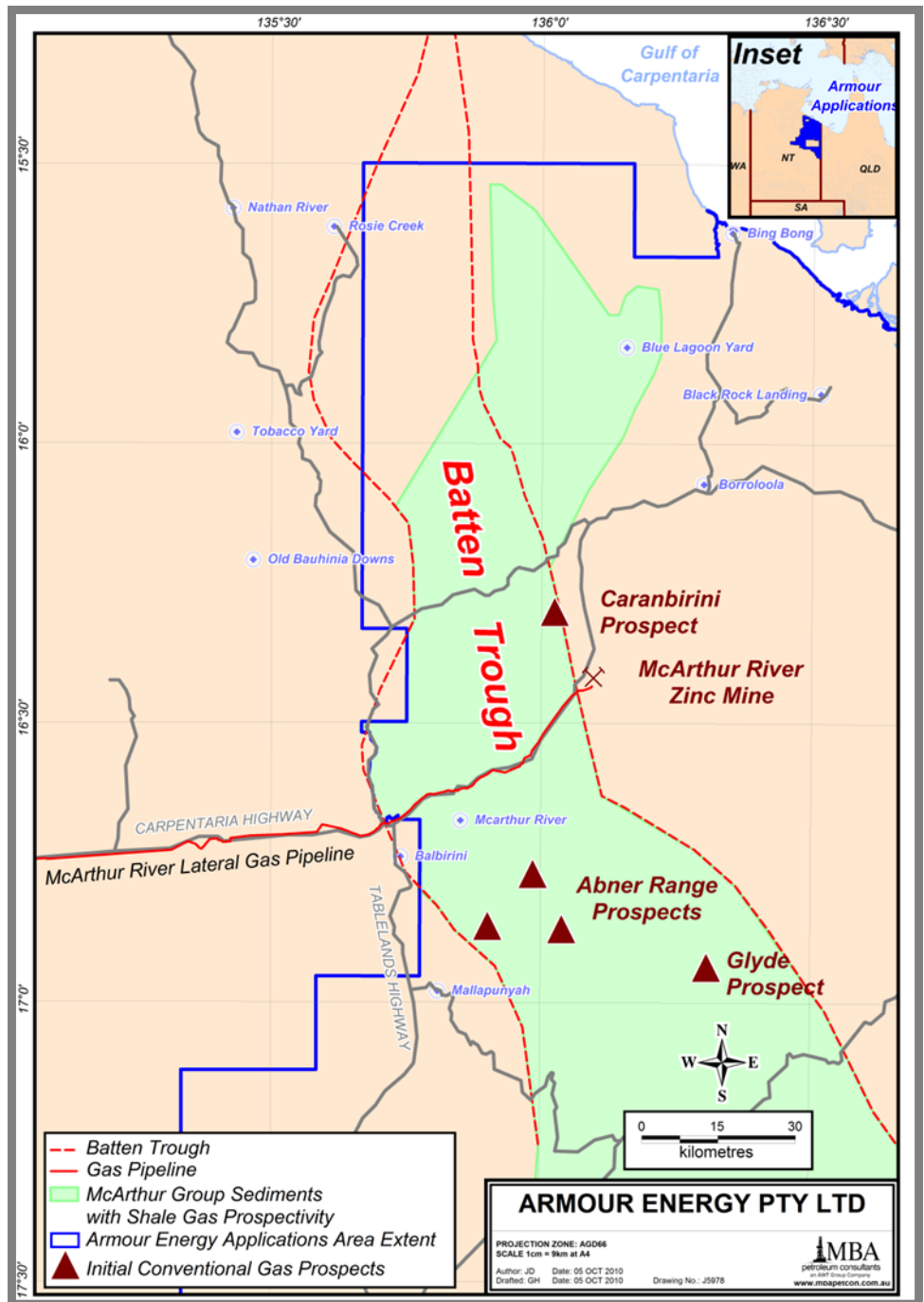


Fig 9: Armour Energy Conventional and Shale Gas Project Area – Northern Territory

The project area is well positioned to service the Northern Economic Triangle of Queensland and local markets in the Northern Territory. "The Northern Economic Triangle (NET) is a commitment by the Queensland Government to foster sustainable economic, social and community growth through the emergence of Mount Isa, Townsville and Bowen as a triangle of mining, mineral processing and industrial development."¹

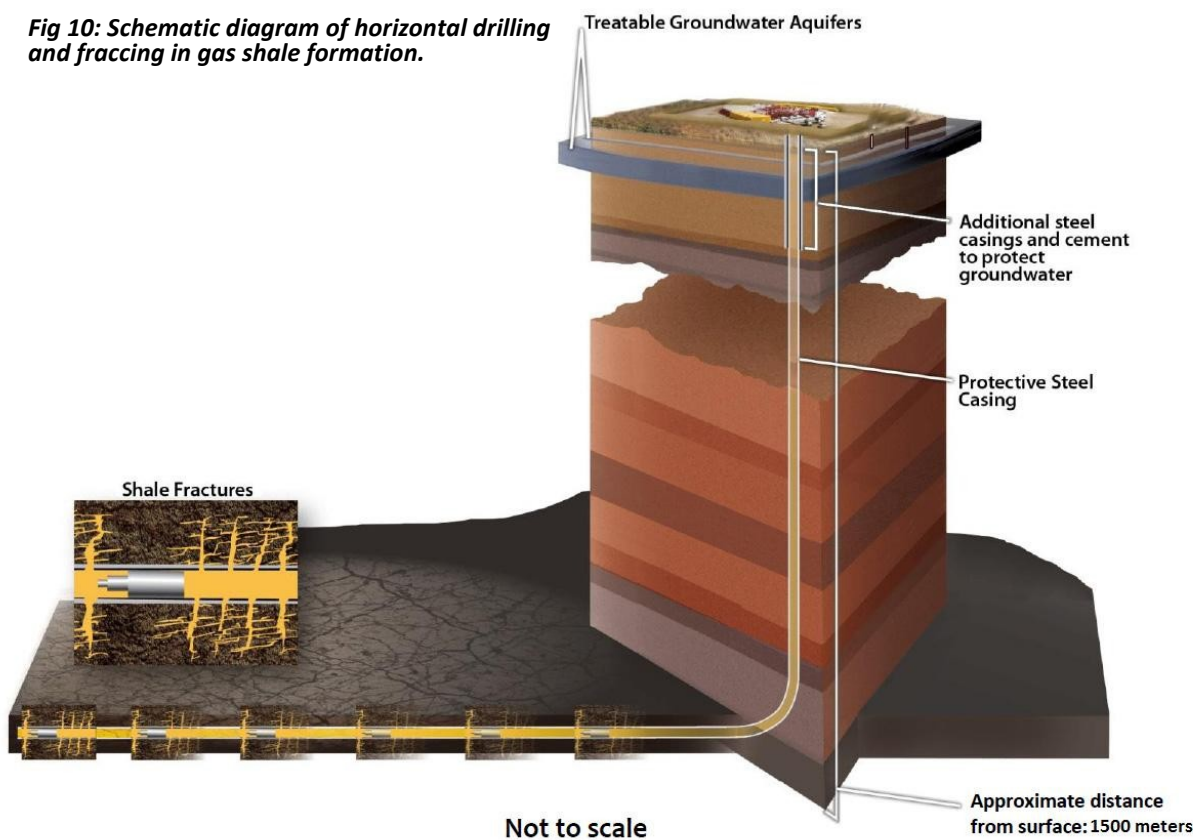
¹Source QLD Government Website

US Shale Gas Exploration and Development Techniques to be Applied

Shale gas technology developed in the USA and commercially applied by a number of companies and operators in Texas, Wyoming, Oklahoma, Louisiana, Arkansas, North Dakota as well as Saskatchewan and British Columbia in Canada will be applied in the exploration of the area (see Fig 10 below).

The geology of the Northern Territory target area demonstrates extensive target shale units with total organic carbon content, thermal maturity levels and thicknesses presenting comparable targets to the

Fig 10: Schematic diagram of horizontal drilling and fracking in gas shale formation.



currently producing Haynesville, Barnett, Marcellus and Bakken Shales that are currently yielding high volume gas production in the USA.

Shale gas development and production relies on the production of gas from artificially fractured low permeability gas bearing shales which are penetrated by radiating horizontal lateral holes drilled off a vertical centre well. Armour's well depths are targeted at between 500 and 1500 metres within the project area.

On the basis of available information and an Australian operating environment, Armour Energy is targeting overall exploration and development costs of \$1.40 per GJ.

Shale Gas Importance

Shale gas production in 2008 supplied approximately 2TCF of gas per year into the US gas market being equivalent to 9.1% of total US marketed gas production of 21.9TCF. In 2008 US shale gas production exceeded US coal bed methane production.²

In 2009, total Queensland gas production was estimated to be 232 PJ. Production from the expanding coal seam methane industry was

estimated at 151 PJ having overtaken conventional gas production to now account for 65% of Queensland gas production³.

Gas resource targets onshore in the NT have not previously attracted major commercial exploration efforts, owing to historic low gas prices, lack of available markets and a focus on conventional reservoir styles which were

perceived to be limited in size potential.

Armour Energy's strategy relies, as with the emergence of the coal seam gas industry in Queensland 10 years ago, on the discovery of very large unconventional gas resources extractable with proven, but as yet untried methods in this area, along with the generation of high volume downstream industrial, power generation and export markets.

Armour Energy is targeting similar development of shale gas production in the Northern Territory and believes that shale gas production in the Northern Territory will ultimately provide a significant adjunct to energy supplies in both the Northern Territory and Northern Queensland.

²Source: US Energy Information Administration Website
³Source: Queensland Government Website

ARMOUR ENERGY

Early Gas flow

Potential in Conventional Targets

In its Northern Territory project areas, Armour Energy has identified potential for shale gas plays in the Barney Creek Shale and potential to discover conventional gas accumulations in the Coxco Dolomite abutting the Barney Creek Shale along the Emu Fault Zone both North and South of the McArthur River Zinc Mine. A mineral exploration hole drilled at the Glyde River prospect in this area by Amoco in 1979 flowed gas and condensates at 140psi for 6 months before it was sealed at the surface (see Fig 11).

Mineral exploration drill holes in the area frequently encountered bitumen, residual oil, gas shows and gas flows further substantiating the presence of a mature petroleum system in the area. Armour has identified several targets adjacent to the Emu Fault Zone near both Glyde and Caranbirini along with other anticline related targets adjacent to the Abner Range. These targets provide immediate potential for approximately 200 Billion cubic feet or approximately 210 PJ of gas with further potential to be identified in similar trap sites.

Relatively Low Land Use, Social and Environmental Conflicts

Armour is encouraged by the project's location in areas of manageable environmental and social impact with expected negligible impact on groundwater due to depth along with minimal land use conflict.

Capital Raisings and ASX Listing Planned

Armour has planned underwritten capital raisings in the current quarter, followed by an IPO and ASX listing in February 2011.

Experienced Board and Management in Major Projects and Gas Exploration

Armour's CEO, Mr Phil McNamara is highly experienced in the field of major project feasibility and development having recently headed the feasibility study and then successful negotiations

with major Chinese constructors, financiers and customers for Waratah Coal. His previous appointments also saw him managing large coal development projects for Yanzhou Coal Australia, and prior to that Xstrata Coal.

Armour is well supported by a team of highly experienced and successful petroleum exploration experts and consultants and draws relevantly on the coal seam methane experience of its chairman and D'Aguilar CEO, Mr Nicholas Mather, who was instrumental in the early business development strategy, project acquisition and exploration programs for Arrow Energy and Bow Energy. He is currently a Non Executive Director of Bow Energy.

Mr Bill Stubbs, Chairman of D'Aguilar was also Chairman of Arrow Energy between 1998 and 2005, during its emergence as a major coal seam methane company, and his experience will be particularly relevant to the emergence of Armour Energy as a major gas company.



Fig 11: Gas flow from Amoco mineral exploration borehole GR-79-9 at Glyde River 1979.

NAVAHO GOLD

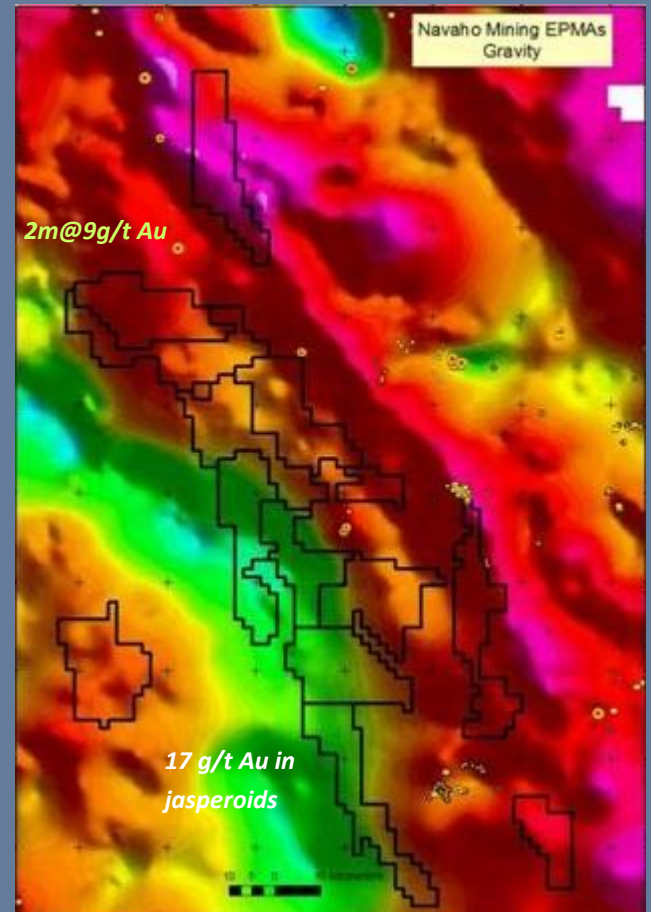
Carlin Style Gold – Queensland and Nevada, USA

Navaho Gold is a 58% owned subsidiary of D'Aguilar Gold with a clear strategy focussed on "Carlin Style" gold mineralisation. "Carlin Style" gold mineralisation was typed near the town of Carlin in Nevada USA in the early 1980s. It occurs as the result of low temperature solutions precipitating gold, silver and sulphide minerals in limey, magnesian and carbonaceous sediments, which have first been made porous by acid solutions emanating from nearly intrusions and fragmentation from fault activity. The mineralisation occurs in long structural corridors known as trends, such as the famous Carlin and Battle Mountain trends, which host in excess of 200 million ounces of gold as past production and current resources. The trends are important features which are the focus of the intrusions, faulting and mineralisation. This model has been something of a holy grail for gold explorers all over the world as the world's largest gold deposits are located in sedimentary basins.

The company has identified a large scale opportunity for the discovery of low temperature

high faulting gold deposits in unexplored margins of sedimentary basins in Queensland. Navaho Gold holds 6 granted EPMs and 20 EPM applications covering more than 7,000 km² in southern, central and northern Queensland on three major project areas at Texas, North Bowen and Candlow

Fig. 13: North Bowen Project



(Georgetown). The Queensland tenements are shown in Figs 12,13, & 14.

During the quarter Navaho Gold executed farm-in and option agreements with Columbus Gold (US) Corporation and Genesis Gold Corporation over five properties in the Battle Mountain-Eureka and Carlin trend areas in Nevada, USA. Navaho can earn into Columbus gold properties at Whitehorse Flats, Stevens Basin and Utah Clipper, and Genesis Gold Corporations Carlin East and Tobin Properties (see Fig 15).

Stevens Basin is located on the Battle Mountain Gold Trend approximately 16km (10miles) west-southwest of Eureka and about 10km (6 miles) west of Barrick Gold's Archimedes open pit gold mine. The Utah Clipper and Crestview properties are located directly adjacent to Barrick Gold's Pipeline-Gold Acres gold mine complex, in the Cortez Pipeline sector of the Battle Mountain Gold trend.

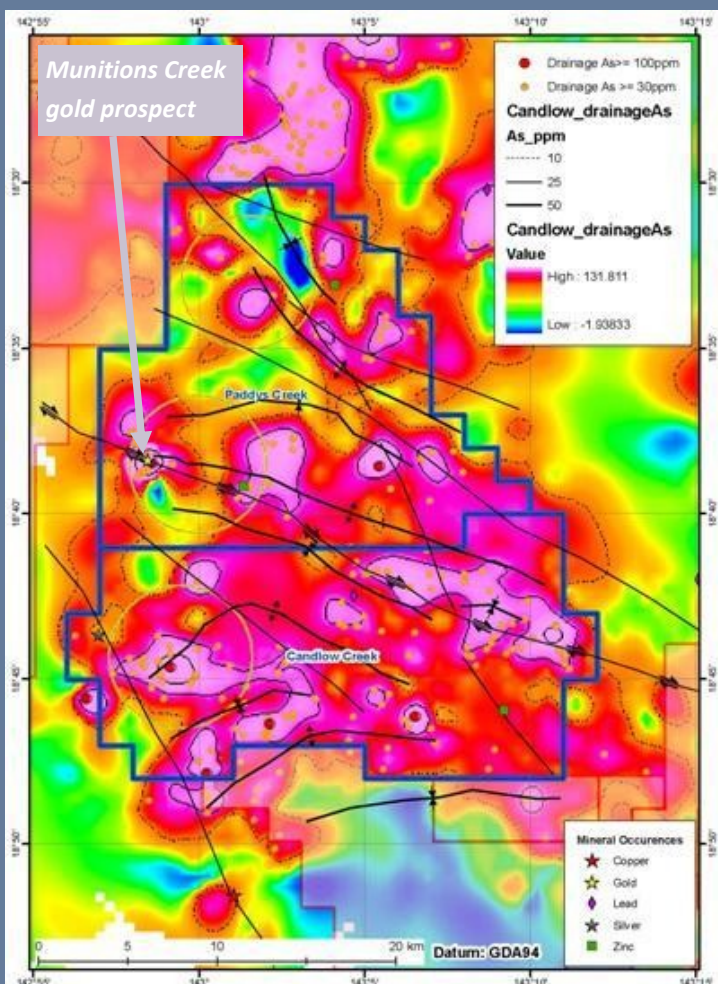


Fig. 12: Candlow Project Area

NAVAHO GOLD

White Horse Flats is located 43 km (27 miles) south of Wendover. The property is 13 km (8 miles) east of the Kinsley Mine, which produced approximately 400,000 ounces of gold from a Carlin-type deposit mined by Cominco in the mid-1980's. Subject to net smelter returns royalties, Columbus Gold currently controls a 100% interest in the projects.

Navaho Gold has just finalized a seed capital raising of \$1 million to meet the acquisition and initial project related costs for its Nevada properties, and to provide working capital to assist management with the continuing process of taking Navaho to an IPO. Preparation of the prospectus for an IPO and ASX listing is well underway.

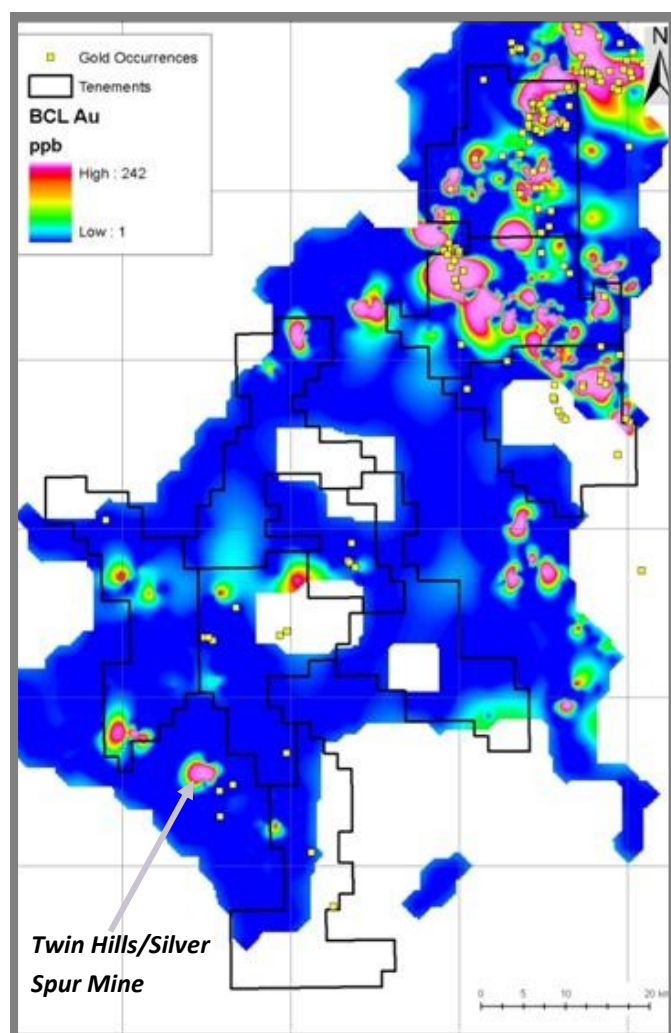


Fig 14: Texas Project area

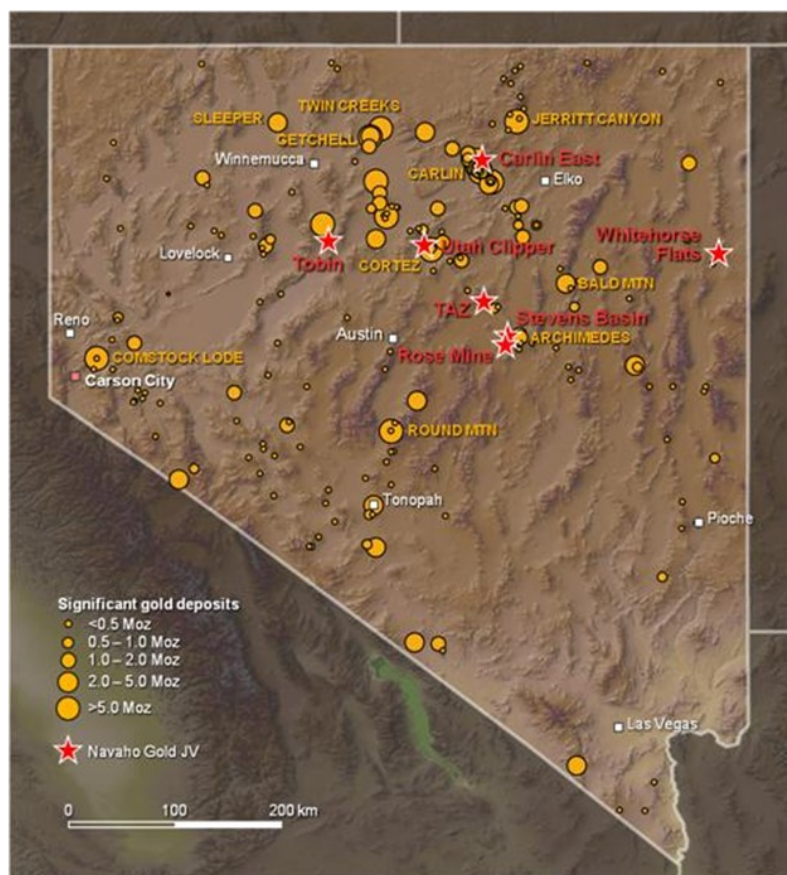


Fig 15: Navaho Gold Nevada Projects

RIDGE EXPLORATION

Iron, Titanium and Bauxite – Queensland

Ridge Exploration is 86% owned by D'Aguilar Gold, and together with its wholly owned subsidiary Eastern Exploration holds exploration licences for iron ore over parts of the northern Surat Basin, the underlying basement and other areas where previous work has identified iron ore development with over 40% iron content in lateritised profiles. While over the past 40 years the mining industry has concentrated on the exploitation of haematite ores grading better than 55% iron, it has been overlooked that for most of the history of the iron and steel industry (many centuries), iron ore grading 35+% was the accepted standard. Given that the Ridge target areas are situated adjacent to massive coal and gas reserves (owned by unrelated third parties) and given the current high prices for iron ore, it is possible that lower than currently used

grades of iron ore should be able to be very profitably exploited even bearing costs of upgrading by processing.

Initial field work has already identified extensive deposits of sediment hosted iron ore with many assays >40% Fe. The largest and strongest iron deposit identified lies in the Johnson Creek area on the eastern edge of the Basin approximately 100km southwest of Mundubbera and 80km east of Wandoan, referred to as Cadarga. Mapping and sampling work at Cadarga has also led to the discovery of high grade Titanium Dioxides (to 31% TiO₂) around an interpreted basaltic volcanic centre near the town of Monogorilby. The deposit is flat lying within a lateritised volcanic breccia and covers about 6 square kilometres around a diatreme style of volcanic vent. The location of the Ridge and Eastern exploration tenements in Queensland is shown in Fig 16.

On 29 June the Directors of D'Aguilar Gold and Ridge Exploration Pty Ltd announced that agreement had been reached for a scrip-based take-over of Ridge Exploration by Canadian company Coltstar Ventures Inc (TSX.V: CTR). Under the Share Purchase

Agreement, Coltstar will acquire 100% of the issued shares in Ridge, in consideration for the issue of 10 million new, fully-paid shares in Coltstar to the Ridge shareholders. Following the transaction, Coltstar will have approximately 38 million fully-paid shares on issue, together with approximately 5.75 million convertible equity instruments (options and warrants) and CDN\$150,000 worth of convertible debentures.

Ridge shareholders will hold approximately 27% of Coltstar following the transaction (approximately 23% on a fully diluted basis). As the majority shareholder of Ridge, D'Aguilar will hold approximately 8.6 million shares in Coltstar following the transaction (approximately 23%), valuing the deal at approximately AUD6 million dollars based on the current Coltstar price of CDN0.60.

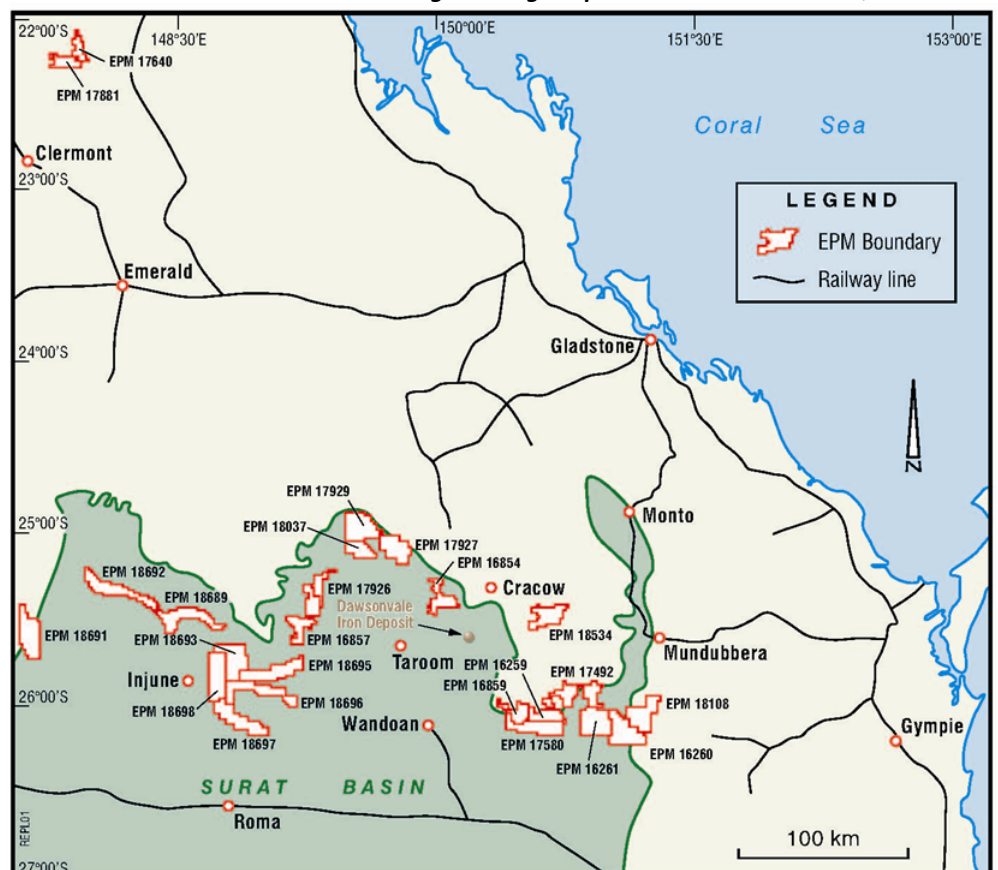
Coltstar has agreed to pay a finder's fee of CDN245,000 to a third party, via the issue of Coltstar shares.

D'Aguilar will be entitled to appoint a Director to the Coltstar Board, and will continue to provide managerial and administrative support to Ridge on commercial terms. The parties are currently expediting the appointment of a Chief Operating Officer for Ridge to lead the further exploration and metallurgical programs.

The necessary due diligence and legal matters that need to be addressed by the parties to finalise the sale of Ridge have taken longer than initially anticipated however following the lodging of documents with the TSX completion is expected to occur by mid November.

Coltstar Ventures Inc was established in 2006 and is based in Vancouver, Canada. Coltstar is a Tier 2 TSX Venture Exchange listed company headed by CEO Damien Reynolds. Coltstar's stated objective is to utilise the proven skills of its talented team to advance the economic value of world-scale natural resource projects, for the benefit of all stakeholders.

Fig 16: Ridge Exploration Tenements in Queensland



As part of its focus on world-class iron-ore projects, Coltstar has staked a 958km² tenement area contiguous with Chevron Canada Limited's Crest iron deposit which is incorporated within a 600km² area straddling the Yukon – Northwest Territories border in Northern Canada.

Through its subsidiary, Tuscany Minerals, Coltstar is also focused on the acquisition, exploration, and development of gold properties in Italy. Its principal property includes the Colline Metallifera gold property, which consists of six exploration permits located in Tuscany, Italy.

Coltstar recently announced that a silt sampling campaign has expanded a large, gold-in-silt anomaly on its Torniella Property in central Italy. This

anomaly exhibits very high gold values (greater than 1,000 ppb) in a setting similar to that of high-sulphidation gold mines in Latin America, such as Pierina, Yanacocha, Pasqua-Lama and Fruta-del-Norte. The Torniella exploration permit, covering a surface area of 2,130 hectares, is located 110 kilometres north-west of Rome in an area which hosts significant mining activity, including more than 500 quarries.



BARLYNE MINING

Barlyne's business model is based on the development of a porphyry copper molybdenum mining company in South East Queensland. Barlyne holds four prospective copper molybdenum projects including Great Blackall, Calgoa, Peenam and Gayndah. All four of these prospective projects host drill intersections of copper molybdenum or copper gold mineralisation.

The most exciting of the Barlyne projects are the Great Blackall (Cu/Au/Mo) and Rawbelle (Cu/Au/Mo) prospects that co-join the tenements hosting Aussie Q Resources Ltd's (ASX code AQR) Whitewash and Gordons Copper/Molybdenum discoveries in Queensland.

The Great Blackall system is exposed at several locations yielding high molybdenum results in a porphyry intrusive complex over 16km².

Anduramba has a JORC compliant total resource of 31.6M ton at 0.6% molybdenum equivalent (Mo Eq); indicated 21.0M tonnes and inferred 10.6M tonnes at a cut-off grade of 0.03% Mo Eq*. Pre-feasibility cash-flow analysis indicates the Anduramba project is cash-flow positive at Mo prices greater than US\$15/lb. Mo. London Metals Exchange cash seller & settlement price as at 14 September 2010 quoted at US\$16/lb. Mo. The Board continues to reassess the commercial options for Anduramba.

Company Outlook

D'Aguilar's strategy of seeking listing of its key assets on recognised stock exchanges is designed to deliver negotiability for its key assets, less dilutive funding of forward exploration programs, and expanded and focussed project management teams independent of D'Aguilar.

D'Aguilar's aim is to hold its key positions in the listed companies. Currently D'Aguilar holds 15.6% of AIM listed Solomon Gold plc (AIM: SOLG) and 38% of ASX listed Mt Isa Metals Limited (ASX: MET). The company has just listed AusNiCo Limited (ASX: ANW) and will hold 53%. The pending sale of Ridge Exploration will

see D'Aguilar merge with 23% of Coltstar Ventures Inc. Preparation of a prospectus for the ASX listing of Navaho Gold later this year has commenced. Armour Energy has applied for a substantial land package in the Northern Territory and will proceed to IPO and an ASX listing in 2011. The company is also well advanced in plans to list Barlyne Mining and Anduramba Molybdenum within a vehicle focussed on porphyry copper-gold-molybdenum. Other projects are in earlier stages of development, including prospects at Bathurst (gold, copper) and Alexander Creek (diamonds).

Asset Portfolio Summary of D'Aguilar Gold Limited

KEY ASSET	DETAILS	MARKET VALUE \$m
Net Cash	Including expenses repayable on listing AusNiCo	1.0
Convertible Note	Solomon Gold, repayable Feb 2011, 10% coupon	1.0
Mt Isa Metals (MET)	52 million shares @ 40 cents (1)	20.8
Solomon Gold (SOLG)	35.2 million shares @ 33p (2)	18.6
Ridge Exploration	8.6 million shares in Coltstar (CTR) @ C\$0.60 (3)	5.2
AusNiCo (ANW)	58.85 million shares @ 20 cents on listing (4)	11.8
Shamrock Mine Land	327 h (720 acres mainly farming land) – 3 houses. Rehabilitation of mine area covered by \$450K bond	0.7
	Sub-total	59.1
Navaho Gold Pty Ltd	DGR holds 58%, proposed IPO late 2010 (5)	
Barlyne Mining Pty Ltd	DGR holds 100% (5)	
Anduramba Molybdenum Pty Ltd	DGR holds 100% (5)	
Armour Energy	DGR holds 100% (5)	
Prospects in Development	Includes Bathurst and other Projects (5)	
	Total (excl any value for above 5 assets)	59.1
MARKET CAP DGR	322 million shares @ 15 cents	48.3

Following questions to the company from several shareholders and interested investors the Directors believe it is appropriate to set out in summary form the current asset holdings of the company. Fortunately several major assets of the company can now be ascribed a market value due to being shares in listed or soon to be listed entities as shown in the above Table.

The Directors believe that the portfolio of assets held by the D'Aguilar Gold Limited provides a degree of confidence to conclude that despite the current market conditions, a market re-rating of your company may steadily occur over coming months as the value in the listed companies and unlisted subsidiaries and other assets in development becomes evident to the market.

FOOTNOTES:

1. This value is based upon the market value of MET shares on ASX at 15 October 2010.
2. This value is based upon the market value of SOLG shares on AIM at 15 October 2010 and the prevailing exchange rates applying as at that date.
3. The sale of Ridge is expected to close in the next quarter. This value assumes that closing will proceed and is based upon the market value of CTR shares on TSX.V at 15 October 2010 and the prevailing exchange rates applying as at that date.
4. This value is based on the market capitalisation of AusNiCo at the listing price of the oversubscribed IPO.
5. No value for the purposes of this exercise has been attributed to these assets.

No assurance can be given that DGR will be successful in achieving any of these values in the event of realisation of these assets.

*Cut off grades are based on Molybdenum Equivalence ("Mo Equiv") and the inputs for this calculation are:

1	Troy ounce (oz)	=	31.103477	Grams (gm)
1	Pound (lb)	=	453.5924	Grams (gm)

Metal*	Prices (USD) July 2008 Outlooks	Units*	Price (USD)	Ratio
Mo	\$33.00	/ lb	\$0.073 / gm	1.00
Ag	\$17.30	/ troy ounce	\$0.556 / gm	7.61
Cu	\$3.70	/ lb	\$0.008 / gm	0.109

Where Mo = Molybdenum, Ag = Silver and Cu = Copper (all in ppm)

In the Company's opinion all elements included in the metal equivalents calculation have a reasonable potential to be recovered, approximately in the proportions of 70% to 85% for Mo, 75% to 85% for Ag and 70% to 80% for Cu based on preliminary metallurgical testwork results to date. Recoveries may change as testwork proceeds. On this basis, the formula used to calculate Mo Equiv is as follows (note no recoveries have been included in this calculation):

$$\text{Mo Equiv} = \text{Mo} + 7.61 \times \text{Ag} + 0.109 \times \text{Cu}$$

QUARTERLY REPORT



Corporate Information

DIRECTORS

William Stubbs (Chairman)
Nicholas Mather (Managing Director)
Brian Moller
Vincent Mascolo

COMPANY SECRETARY/CFO

Karl Schlobohm

EXPLORATION MANAGER

Neil Wilkins

GENERAL MANAGER

Greg Runge

REGISTERED OFFICE AND HEAD OFFICE

D'Aguilar Gold Ltd
Level 5, 60 Edward Street Brisbane QLD 4000
Phone: + 61 (0)7 3303 0680 Fax: + 61 (0)7 3303 0681

AUSTRALIAN STOCK EXCHANGE ("ASX")

ASX Codes: DGR (Ordinary shares)

AUSTRALIAN BUSINESS NUMBER

ABN 67 052 354 837

INTERNET ADDRESS

All Company announcements, reports and presentations are posted on our website

www.daguilar.com.au

If you would like to receive news releases by email, please send us an email to info@daguilar.com.au with the subject "email alerts" or register your details on our website by clicking "Contact Us" and entering your details.

Website: www.daguilar.com.au

ISSUED CAPITAL

At 30 September 2010, D'Aguilar Gold Ltd had the following securities on issue:

- 322,002,760 ordinary shares
- 3.0 million (unlisted) options (9¢, 12¢, 15¢) expiring 30/4/11
- 3.0 million (unlisted) 27.5cents options expiring 30/6/11
- 300,000 (unlisted) 22cents options expiring 30/6/11

SHAREHOLDING ENQUIRIES

Link Market Services Limited manages D'Aguilar Gold Ltd's share registry.

If you would like to monitor your shareholding online, you can do so by visiting Link Market Services Limited's website, www.linkmarketservices.com.au and following the instructions.

For issuer-sponsored shareholders, if you change address, or if you have any other queries regarding the details of your shareholding, please contact the Company's share registry directly:

Link Market Services Limited
Locked Bag A14 SYDNEY
Phone: 1300 554 474

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Holdings Pty Ltd which provides certain consultancy services including the provision of Mr Mather as the Managing Director of D'Aguilar Gold Ltd.

Mr Mather has sufficient experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). Mr Mather has consented in writing to the inclusion in this report of the matters based on the information in the form and context in which it appears.