

Friday, 8 February 2013

Dear Optionholder

Non-Renounceable Entitlement Offer

On Friday, 8 February 2013, Luirigold Limited (**Company**) announced that it was conducting a partially underwritten traditional non-renounceable pro-rata rights issue, pursuant to which it will offer eligible shareholders one fully paid common share in the capital of the Company (**Share**) for every two Shares held by shareholders at 7.00pm on Monday, 18 February 2013 (**Record Date**), at an issue price of A\$0.03 per Share (**Entitlement Offer**).

The Entitlement Offer entitles every person who is registered as the holder of Shares with registered addresses in the United Kingdom, Switzerland, Australia and New Zealand on the Record Date to participate in the Entitlement Offer in respect of the number of Shares that person holds.

Eligible shareholders may also apply for additional Shares in excess of their entitlement at the same issue price of \$0.03 per Share. This is an opportunity for eligible shareholders to apply for additional Shares in order to increase their holdings. The Entitlement Offer seeks to raise up to approximately A\$3,000,000 before expenses.

The Company has entered into an underwriting agreement with Euroz Securities Limited (**Euroz**) under which Euroz agreed to partially underwrite the Entitlement Offer. Up to 98,715,953 Shares may be issued under the Entitlement Offer. Euroz has agreed to underwrite 28,633,333 of those Shares. One director of the Company, Robert Brown has agreed to sub-underwrite up to 6,666,667 Shares. Full details of the underwriting and sub-underwriting arrangements will be set out in the Offer Booklet.

The proceeds from the Entitlement Offer will be applied to the costs of development of a gold mine at the Company's Dunrobin deposit and to provide the Company with on-going working capital.

The Appendix 3B was lodged with ASX today. The Offer Booklet for the Entitlement Offer will be lodged on or before Wednesday, 20 February 2013. The Offer Booklet will be available for download from both the ASX website (at www.asx.com.au) and the Company's website (at www.luirigold.com) and will be sent out to shareholders on or before Wednesday, 20 February 2013.

Fractional entitlements will be rounded up to the nearest whole number.

The Entitlement Offer is open for acceptance by eligible shareholders from Thursday, 21 February 2013 until 5.00pm AEST time on Friday, 8 March 2013 subject to variation of the timetable for the Entitlement Offer in accordance with the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

To be eligible to participate in the Entitlement Offer in respect of your options, the options must be exercised and you must be registered as a shareholder with a registered address in Australia, New Zealand, United Kingdom or Switzerland at 7.00pm AEST on the Record Date. The purpose of this letter is to advise you about the Entitlement Offer and to give you adequate notice to exercise some or all of your Luirigold options so as to receive Shares in respect of those options by 7.00pm AEST on the Record Date so that you may participate in the Entitlement Offer.

The terms of unexercised options remain unchanged and are available for exercise in accordance with their terms.

The timetable for the Entitlement Offer is set out in the Annexure.

You are encouraged to read the Offer Booklet in full before making a decision in respect of the Entitlement Offer. If you have any queries in relation to the Entitlement Offer, please contact Computershare Investor Services Pty Ltd on +61-3 9415 4000 or 1300 850 850 (within Australia).

On behalf of the Board of Directors of the Company,



Mike Langoulant
Director and Company Secretary
Luirigold Limited

For further information please contact:

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About Luir Gold Ltd

Luir Gold Limited is a gold exploration and development company that holds 2 mining licences in Zambia that cover the historic Dunrobin and Matala gold deposits. Coffey Mining Pty Ltd of Perth have estimated the current gold resource at the Matala and Dunrobin deposits to be a combined (Measured, Indicated plus Inferred) resource of 10.53 million tonnes at 2.2 g/t Au, for 760,000 ounces of gold reported at a cut-off of 1.0 g/t. Refer to the below table.

Luir Hill Gold Project				
Summarized Resource Estimate Reported at 1 g/t Gold Cut-Off				
Matala Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	3,204	2.7	278
Inferred	1.0	4,525	2.0	290
Dunrobin Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Measured	1.0	978	2.6	81
Indicated	1.0	1,063	2.0	69
Inferred	1.0	763	1.8	43
Matala and Dunrobin Deposits Combined				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Measured	1.0	978	2.6	81
Indicated	1.0	4,267	2.5	347
Inferred	1.0	5,288	2.0	332

Competent Persons

The information in this Announcement that relates to both the Dunrobin and Matala Mineral Resources is based on information compiled or supervised by Mr Ingvar Kirchner who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Kirchner is employed by Coffey Mining and has reviewed this Announcement and consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Kirchner has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.'

The technical exploration and mining information contained in this Announcement has been reviewed and approved by Mr C White B Sc (Hons) in Applied Geology, General Manager for Luir Gold Limited. Mr White has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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, Mineral Resources and Ore Reserves.' Mr White is an Employee of Luir Gold Limited and is a Member of the Institute of Materials, Minerals and Mining. Mr White consents to the inclusion in this Announcement of such information in the form and context in which it appears.

Annexure

Key dates for the Entitlement Offer

Event	Business Day	Date
Announcement Date	0	Pre-Market Friday, 8 February 2013
Notice sent to Shareholders	1	Monday, 11 February 2013
Ex Date	2	Tuesday, 12 February 2013
Record Date for the Entitlement Offer	6	Monday, 18 February 2013
Entitlement Offer opens	9	Thursday, 21 February 2013
Entitlement Offer closes	20	Friday, 8 March 2013
New Shares issued under the Entitlement Offer commence trading on ASX on a deferred settlement basis	22	Tuesday, 12 March 2013
Notify ASX of any Shortfall	22	Tuesday, 12 March 2013
Despatch Date - New Shares are allotted and issued	25	Friday, 15 March 2013
New Shares issued under the Entitlement Offer commence trading on ASX on a normal settlement basis	26	Monday, 18 March 2013

Note: Dates and times are indicative only and subject to change. The commencement of quotation of new Shares is subject to confirmation from ASX.

Luirigold and Euroz reserve the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, without notice. You cannot, in most circumstances, withdraw the application once it has been accepted. No cooling off rights apply to the Entitlement Offer.