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17 September 2009

The Manager
Company Announcements
Australian Securities Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

**SUBJECT: ENVIROGOLD TO OFFER NEW OPTIONS TO
SHAREHOLDERS AND OPTION HOLDERS**

Mr Brian Johnson, Executive Chairman of EnviroGold Limited (ASX Code "EVG"), advises that the Company's Board has decided that an offer should be made to both Shareholders and holders of listed Options (options expiring 31 December 2009) to acquire New Share Options on a 1 for 2 basis, subject to necessary Shareholder approval at the Annual General Meeting on 27 November 2009.

The New Options will be offered through a Prospectus at a cost of \$0.001 each to Shareholders and Optionholders on the Company's register on 18 December 2009. The New Options will be exercisable at \$0.15 each on or before 31 December 2011. Application will be made to the ASX for listing of the New Options following their issue in early January 2010.

Shareholders who also hold December 2009 Options as at the date of the Meeting will not be entitled to vote on the proposed resolution.

On the basis of 306,906,325 shares and 102,666,660 December 2009 Options currently on issue, the number of New Options to be offered will be 204,786,493. If additional shares are issued and registered by the Company prior to 18 December 2009, the number of New Options offered will increase by half of the number of the additional shares issued.

The Directors of EnviroGold Limited will place at their discretion any shortfall in the option issue, to unrelated parties.

Mr Johnson said that the option issue was aimed at raising upward of \$30 million in December 2011 to fund the Company's expansion in Latin America.

Yours sincerely
EnviroGold Limited

A handwritten signature in blue ink, appearing to read 'Angela Dent', is positioned above the name and title.

**Angela Dent
Director**

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