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3 March 2009

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Shareholder,

RE: Offer to participate in the Share Purchase Plan

Further to the announcement on 26 February 2009, the Board of Drummond Gold Limited (“the Company”) invites shareholders to participate in a Shareholders’ Share Purchase Plan (“Plan”). The Directors fully support the Plan and advise that they will be applying for the maximum subscription of 250,000 ordinary shares.

The funds are intended to be utilised, in conjunction with existing cash reserves, to continue exploration of the wholly owned tenements at Mt Coolon, the East Hill discovery at Yandan, the surrounding exploration tenement at Yandan and for working capital purposes.

The exploration program in 2009 is focused on extending and increasing known gold Resources at Mt Coolon and Yandan. In December 2008, Drummond Gold more than doubled gold Resources under management to 580,000 oz with the announcement of an earn-in joint venture to the Yandan Project. This significant asset acquisition will provide a landmark expansion and synergistic fit to the wholly owned Mt Coolon assets and greatly enhances the prospects for early production. A key priority in 2009 will be to establish the economics of early production from projects within current mining leases and potential mining leases, particularly in light of the current strength in the price of gold.

A successful raising of \$1.0 million or more will ensure that the Company fulfills a Condition Precedent in the Yandan Agreement. If the Plan raises less than \$1.0 million the Company has the option to withdraw from the agreement and return its exploration focus fully to the wholly owned Mt Coolon assets.

The Plan entitles eligible shareholders registered at 5.00pm 5 March 2009 to subscribe up to \$10,000 of new ordinary shares in the Company at an issue price of \$0.04 (4.0 cents) per share. Shareholders will be able to apply for: a parcel of 50,000 shares at an issue price of \$0.04 (4.0 cents) for \$2,000; a parcel of 125,000 shares at an issue price of \$0.04 (4.0 cents) for \$5,000; or a parcel of 250,000 new ordinary shares at an issue price of \$0.04 (4.0 cents) for \$10,000.

The Subscription Price represents a discount of approximately 14% on the volume weighted average trading price of 4.65 cents (\$0.465) per share for the Company’s shares traded on the ASX, over the period of five (5) business days 12 February 2009 to 18 February 2009.

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The timetable relating to this Plan is set out below (the dates are subject to change):

Event	Date
Chairman's Offer to Shareholders:	Tuesday 3 March 2009
Record Date of the Plan:	Thursday 5 March 2009
Dispatch of Shareholders' Share Purchase Plan to Shareholders:	Monday 9 March 2009
Opening Date of the Plan:	Monday 9 March 2009
Closing Date of the Plan (subject to directors' discretion):	Friday 27 March 2009

Documentation and further information will be mailed to shareholders on Monday 9 March. Please contact Managing Director - Mr Doug Grewar or Company Secretary - Mr Michael Ilett if you have any questions.

Shareholders are advised to consider the offer carefully and obtain their own investment advice before applying for shares.

Yours faithfully
DRUMMOND GOLD LIMITED



John Dunlop
CHAIRMAN

Drummond Gold Resources 30 June 2008

Mine	Location	Resource Category									Total			cut-off
		measured			indicated			inferred			t	Au g/t	Au oz	Au g/t
		t	Au g/t	Au oz	t	Au g/t	Au oz	t	Au g/t	Au oz				
Koala	Ross Pit Deepening	27,000	3.69	3,203	60,300	3.55	6,878	41,025	3.90	5,143	128,325	3.69	15,224	1.0
	Ross Pit Extension	16,748	3.55	1,911	13,750	2.88	1,275	1,815	2.14	125	32,313	3.19	3,311	1.0
	Hectorina Pit	13,265	2.94	1,253	17,551	6.98	3,936	386	2.22	28	31,202	5.20	5,216	1.0
	Underground Extension				140,164	8.40	37,836	60,480	7.61	14,796	200,644	8.16	52,631	5.0
	Tailings from 1930's				218,400	1.61	11,305				218,400	1.61	11,305	0.0
	Total	57,013	3.47	6,367	450,165	4.23	61,230	103,706	6.03	20,090	610,884	4.46	87,687	
Eugenia	in whittle pit - direct mill				384,736	3.49	43,120	152,466	3.22	15,779	537,202	3.41	58,899	1.3
	in whittle pit - heap leach				138,494	0.97	4,306	32,520	1.05	1,102	171,014	0.98	5,408	0.7
	outside pit				502,261	1.55	25,093	921,021	2.39	70,748	1,423,282	2.09	95,841	0.7
	Total				1,025,491	2.20	72,519	1,106,007	2.46	87,629	2,131,498	2.34	160,148	
Glen Eva	Underground below pit				72,023	8.88	20,562	18,090	7.13	4,147	90,113	8.53	24,709	5.0
Total		57,013	3.47	6,367	1,547,679	3.10	154,311	1,227,803	2.83	111,867	2,832,495	2.99	272,545	

The information in this report that relates to Mineral Resources is based on information compiled by Mr Andrew Vigar, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Vigar is a director of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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, Mineral Resources and Ore Reserves'. Mr Vigar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Yandan Gold Resources 30 June 2008

Commodity	Measured	Indicated	Inferred	Total
Tonnes			4,100,000	4,100,000
Au (g/t)			2.4	2.4

The information in this report that relates to Mineral Resources is based on information supplied by Peter Storey, who is a member of the Australian Institute of Mining and Metallurgy. Mr Storey is a full time employee of Straits Resources Limited and has sufficient experience relevant to the style of mineralisation, type of deposit under consideration 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 Mineral Resources and Ore Reserves". Mr Storey consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Drummond Gold Limited

ABN 98 124 562 849

ASX: DGO

Shares issued – 63.3 million

December 2009 options (unlisted) – 9.325 million

July 2010 options (unlisted) – 9.325 million

CASH

\$2.23 million (31.12.08), no debt

Directors:

John Dunlop **Chairman**
 Doug Grewar **Managing Director**
 Ross Hutton **Non-Executive Director**
 Brice Mutton **Non-Executive Director**
 Andrew Vigar **Non-Executive Director**

Michael Ilett **Company Secretary & CFO**

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 Queensland 4065

Contact:

Doug Grewar
 Managing Director
 Drummond Gold Limited

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Web: drummondgold.com.au

Drummond Gold

Drummond Gold is a gold and base metals Company focused on growth through exploration success and acquisition with an early production strategy.

The Company is exploring and planning mine and processing developments in the well-known Drummond Basin of Central Queensland around the former gold mining centre of Mt Coolon and at Yandan.

With the Yandan earn-in Joint Venture, Drummond has increased gold Resources under management to 580,000 oz.

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