



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the shareholders of Deccan Gold Mines Limited will be held on Thursday, the 29th September, 2011 at 3.00 P.M., at Royal Room, 3rd Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31 March 2011 and the Audited Balance Sheet as on that date along with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Charles E.E. Devenish, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. M. Ramakrishnan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. V. K. Beswal & Associates, Chartered Accountants, Mumbai (Firm Registration No. 101083W) as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and authorize the Audit Committee / Board of Directors to fix their remuneration.

By order of the Board

for **DECCAN GOLD MINES LIMITED**

Place : Bangalore
Date : 10 August, 2011

S. Subramaniam
Company Secretary

REGISTERED OFFICE:

A-303, "Prathamesh", Raghuvanshi Mills Compound,
11-12, Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (forty eight hours) before the time fixed for holding the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 23 September, 2011 to Thursday, the 29 September, 2011 (both days inclusive).
4. The Annual Reports and Attendance slips will not be distributed at the Annual General Meeting. Shareholders / Proxies are requested to bring the same along with them.
5. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that the service of notice/ documents including Annual Report can be through e-mail. To support this green initiative of the Government in full measure members are requested to register their e-mail addresses, in respect of electronic holding with the Company / Registrar through their concerned Depository Participant / Registrar and Share Transfer Agent.



ANNEXURE TO NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

Name	Mr. Charles E.E. Devenish	Dr. M. Ramakrishnan
Date of Birth / Age	25 October, 1940 (70 years)	27 April, 1940 (71 years)
Appointed on	21 January, 2003	24 April, 2004
Qualification	School Leaving Certificate	M.Sc., Fellow, Indian Academy of Science Fellow – Geological Society of India Ph.D.,
Expertise in specific functional areas	Mineral exploration business	Geology / Mineral Exploration
Directorship held in Public Companies.	Nil	Nil
Membership / Chairmanships of Committees across Public Companies	Nil	Nil
No. of Shares held in the Company	Nil*	Nil

* Mr. Charles E.E. Devenish is a Director / shareholder of Rama Mines (Mauritius) Limited which holds 2,58,83,519 equity shares in the Company as on 10 August, 2011 forming 44.28% of the paid-up equity capital of the Company.



August 16, 2011

Dear Shareholders,

Sub: Green initiative in Corporate Governance – Electronic Mode of service of documents

In an endeavor to contribute towards Greener Earth, the Ministry of Corporate Affairs (MCA) has vide its Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 has undertaken the “Green Initiative in Corporate Governance” by permitting “paperless compliances by companies”. In other words, the Company would have complied with Section 53 of the Companies Act, 1956, if service of a document has been made through electronic mode.

Your Company welcomes MCA’s step in protecting green cover in the country. Paperless communication will not only result in reduction in paper consumption, but will also ensure prompt receipt of communication and avoid loss in postal transit.

It is proposed that hence forth all corporate communications including Notices of Meetings/Postal Ballot, Annual Reports, Directors’ Report, Auditors’ Report and other shareholder communications will be sent electronically to the email address provided by you and/or made available to the Company by the Depositories viz., NSDL / CDSL. Shareholders holding the shares in demat form are requested to keep your Depository Participant (DP) informed & updated of any change in their e-mail address.

For shares held in physical form, shareholders by mentioning their name(s) and folio no, can register their email address either by sending a duly signed letter to the Company’s Registrar & Transfer Agent, M/s Link Intime India Private Limited, C/3, Pannalal, Silkmill Compound, L.B.S. Marg, Bhandup (West), Mumbai -400078 or by sending an email to deccangoldgogreen@linkintime.co.in.

Please note that you are entitled to be furnished free of cost, with a physical copy of the balance sheet of the company and all other shareholders communications/documents, upon receipt of a request from you. Such documents shall also be displayed on the Company’s website www.deccangoldmines.com.

The Company believes that as a responsible citizen, you would appreciate and whole-heartedly support the “Green Initiative” taken by MCA and your Company’s desire to participate in the same.

Regards,
for **Deccan Gold Mines Limited**

Compliance Officer



DECCAN GOLD MINES LIMITED

REGD. OFFICE : A-303, "Prathamesh", Raghuvanshi Mills Compound,
11-12, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting held on Thursday, the 29 September, 2011 at 3.00 p.m., at Royal Room, 3rd Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018

Full name of the Shareholder/Proxy* attending the Meeting _____

Folio No/DP ID No. _____ Client ID No. _____

No. of Shares _____

Full name of the Shareholder _____
(If the proxy attends instead of Shareholder)

Signature of Shareholder/Proxy

*Delete whichever is not applicable.

(Member/Proxy attending the Meeting must fill in this attendance slip and hand it over at the entrance of the Meeting hall)

DECCAN GOLD MINES LIMITED

REGD. OFFICE : A-303, "Prathamesh", Raghuvanshi Mills Compound,
11-12, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

PROXY FORM

Folio No _____ No. of shares held _____

DP ID No. _____ Client ID No. _____

I/We _____

of _____ in the district of _____

being a Member/Member of the above-named Company hereby appoint Mr./Ms. _____

_____ of _____

in the district of _____ or failing him/her

Mr./Ms. _____ of _____ in the district of _____

_____ as my / our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 29 September, 2011 at 3.00 p.m., at **Royal Room**, 3rd Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018 and at any adjournment thereof.

Signed this _____ day of _____ 2011

Affix
Re. 1.00
Revenue
Stamp

Note:

This proxy form, in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

Signature of Shareholder



LETTER FROM CHAIRMAN

Dear Share Holders,

It gives me immense pleasure to report on some significant milestones achieved by our Company during the past year. As we inch closer towards realizing our long standing vision of developing a producing gold mine in India, this last year witnessed a considerable step up in the gold resource position and knowledge on two of our important gold projects viz. Ganajur-Karajgi and Mangalagatti in Karnataka State. Full details of developments in these prospects are contained in the “Report on Exploration Activities” in the Annual Report, but I am very happy to report that SRK consultants, an internationally acclaimed independent Geological Consulting firm appointed to undertake scoping studies has upgraded the quantum of gold resource in the Ganajur Main prospect to a total of 308,000 oz from 265,000 oz reported earlier, with 301,000 oz in the “indicated” category and 7000 oz in the “inferred” category.

It is also extremely pleasing to report that recent Geophysical Surveys in the prospects adjoining the Ganajur Main prospect have also led to the discoveries of more gold anomalies. These adjoining prospects have now become important drilling targets and offer the potential to substantially add to the gold resource already discovered at the Ganajur Main prospect.

As you are aware our Company has filed an application for Mining Lease covering the Ganajur main gold prospect which has been approved by the State Government of Karnataka and is under process at the Ministry of Mines (MOM), Delhi. We remain hopeful that MOM will clear the file soon. Please refer to ‘Status of Important Applications for Reconnaissance Permit (RP) / Prospecting Licence (PL) / Mining Lease (ML)’ for further details.

Further, our Company has been pursuing Mangalagatti and Bhavihal gold prospecting projects in Dharwar District of Karnataka. The Ministry of Mines has approved the grant of PL on Mangalagatti, but is awaiting execution at the State level. Both Mangalagatti and Bhavihal have already received Reconnaissance drilling. Additional detailed drilling and geophysical surveys will be undertaken at these two prospects upon grant of PLs. The geological set up here has close similarities to that of the Ganajur gold deposit. There is therefore cause for optimism about its potential.

The Hutti geological belt in Karnataka has been well known for the only gold producing mine in the country. As you are aware, our Company’s applications for PL in this high potential Hutti belt had been held up due to the State Government of Karnataka exercising its rights to reserve these areas in favour of Hutti Gold Mines. Our Company had challenged the State’s recommendation at the Central Tribunal in Delhi and received a ruling in our favor. Recently, the Secretary to the Mines Ministry in Delhi has also rejected the State’s recommendation in favor of Hutti Gold Mines. Hutti has challenged the decision of the Ministry of Mines and the matter is pending with the Hon’ble High Court of Karnataka.

The data generated by our Company on the gold prospects in Hutti belt points to the high gold bearing potential of the as yet under explored Hutti belt. On this basis our Company looks forward to an exciting future in the Hutti belt, subject to grant of its applications. World wide geological statistics prove that when you have a large gold mine like Hutti, other new deposits will be found along strike. We have already proved this theory by the discovery of the Hirenagur deposit lying only six kilometers from the main Hutti Gold Mine.

The Government of India is currently considering new legislation (MMDR Act, 2010) intended to modernize mining law and to facilitate large scale investment in the Indian mineral exploration / mining sector by foreign and Indian investors. The Bill, however, remains in the development and discussion stage and no date for its implementation has been provided.

Some of the salient features of the proposed MMDR Act, 2010 are (i) the establishment of a National Mineral Tribunal, which would have wide powers in relation to mineral matters, including setting aside or confirming any order passed by the Central or State Government; (ii) significant increase in the maximum areas allowable per person per State for PLs and MLs; (iii) new specified time limits within which the application for the grant of RPs, PLs and MLs must be completed; and (iv) the establishment of a new streamlined process for transferring of mineral concession licences, including RPs.

It is natural that we are all anxious to establish mines and produce gold but the delays due to lengthy Governmental procedures have considerably slowed our progress in this regard. We are hopeful that the New Mineral Policy will help in fast tracking the grant of our permits.

Our Board appreciates the support and patience of our shareholders and reiterates its commitment to work towards bringing Ganajur into production as soon as possible and reaching an accord with the Hutti Gold Mines.

Yours faithfully,

Charles E.E. Devenish
Chairman



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CORPORATE INFORMATION

Chairman	:	Mr. Charles E.E. Devenish
Managing Director	:	Mr. Sandeep Lakhwara
Directors	:	Mr. Vaidyanathan Sivakumar * Mr. K.R. Krishnamurthy Dr. M. Ramakrishnan Prof. V.K. Gaur (*Resigned w.e.f. 23-08-2011)
Head-Legal & Company Secretary	:	Mr. S. Subramaniam
Auditors	:	M/s. V.K. Beswal & Associates Chartered Accountants, Mumbai.
Legal Advisors	:	M/s. Crest Law Partners No. F-3, Ligoury Court, 7, Palmgrove Road, Victoria Layout, Bangalore – 560 047.
Registrars & Share Transfer Agents	:	Link Intime India Private Limited Pannalal Silk Mills Compound, C-13, LBS Marg, Bandhup (West), Mumbai – 400 078. Tel : 91-22-55555454 Fax : 91-22-55555353 Email: mumbai@linkintime.co.in
Bankers	:	Standard Chartered Bank
Registered Office	:	A-303, “Prathamesh”, 3 rd Floor, Raghuvanshi Mills Compound, 11-12, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013. Tel : 91-22-40764444 Fax : 91-22-40764466 Email : info@deccangoldmines.com Web : www.deccangoldmines.com
Corporate Office	:	‘Raja Ikon Building’, # 89/1, 4 th Floor, Marathahalli Outer Ring Road, Bangalore – 560 037. Tel : 91-80-40428400 Fax : 91-80-40428401 Email : info@deccangoldmines.com



PROFILE OF DIRECTORS

CHARLES E.E. DEVENISH

Chairman

Charles Devenish has extensive experience spanning 35 years in mining, with a large range of interests in India, Australia and Burma. He has strong involvement in mineral exploration in Australia and overseas for decades and was the founder and first chairman of two publicly listed companies in the 1980's and 1990's that pioneered diamond exploration in Australia. For 38 years, he was the Principal of Charles Edward Jewellers, one of Australia's leading specialist retail and wholesale outlets with international links in Europe, Middle East and USA. He also acted as an advisor to the Government of Vietnam on the development of that country's gemstone mining and cutting industry. Charles moved to India in August, 2002 and has been actively liaising with various Government Departments and providing support and guidance to progress the development of gold exploration and mining industry in India. Charles' active role in exploration and mining projects, his profound knowledge of the mining industry, his extensive corporate background and his concerns for Indian rural development based on mining will provide significant and valued input to the Company.

SANDEEPLAKHWARA

Managing Director

Sandeep Lakhwara has several years experience advising junior Australian exploration and mining companies on development strategies. Educated at Curtin University in Western Australia, and a member of the Australian Society of Certified Practising Accountants (CPAs), Sandeep has been a principal and partner of several Australian based accounting practices specializing in capital raisings for the mineral industry, financial planning and corporate regulatory requirements for publicly listed companies. He was in Australia for 25 years, headed various organizations in the past, at times taking small start-ups to fully developed successful businesses, and moved to Bangalore, India during 2002 to oversee the development of the mineral exploration projects in India. He is primarily responsible for the acquisition and growth of Deccan Gold Mines Limited and is the Managing Director of the Company. Sandeep has made various presentations on factors influencing gold pricing, the operation and business model of international mineral exploration companies, and is regularly called upon to contribute articles on the gold mining industry to various newspapers and magazines.

VAIDYANATHAN SIVAKUMAR

Director

Mr. V.Sivakumar spent several years in equity and credit research in public markets with Crosby Securities, Peregrine Capital and CRISIL where his roles ranged from Analyst to Head of Research and functions included stock analysis, asset allocation and investment strategy and building and managing research teams and products. He also has six years industrial experience with ICI India where he worked in several commercial functions. Mr. Sivakumar holds engineering and management degrees from the Indian Institute of Technology and Indian Institute of Management, Ahmedabad respectively.

PROF. V.K. GAUR

Director

Professor V.K. Gaur is an eminent geoscientist of this country. He is a former Director of the National Geophysical Research Institute. He is a Distinguished Scientist of the Council of Scientific and Industrial Research and Distinguished Professor at the Indian Institute of Astrophysics.

DR. M. RAMAKRISHNAN

Director

Dr. Ramakrishnan is a well known Precambrian Geologist. He was earlier Senior Deputy Director General of the Geological Survey of India. He is a Fellow of the Indian Academy of Sciences and Vice President of the Geological Society of India.

K.R. KRISHNAMURTHY

Director

K.R. Krishnamurthy is a well known Mining Engineer. He was General Manager of Chitradurga Copper Company and Manager at Ashanti Gold Fields, Ghana for 10 years. He was also Mining Consultant to Bharat Gold Mines Limited and advises many mineral based industries in India and abroad.



KEY PERSONNEL

CHIEF CONSULTING GEOLOGIST

DR. V. N. VASUDEV

Dr. V.N. Vasudev is Chief Consulting Geologist. An INSA Young Scientist Awardee with several years of experience in mineral exploration, Dr. Vasudev has published several papers on the geology structure, gold and sulphide mineralization in Archean greenstone belts of Dharwar Craton. He has also undertaken overseas research in Southeast Greenland and was associated with Russian geologists in a research project on Kolar Gold Fields, India. He was with Government of Karnataka, Department of Mines and Geology as a Senior Geologist and Mining Geologist of Chitradurga Copper Company Limited. He has carried out extensive literature research and field reconnaissance throughout India for the Company.

GEOLOGICAL CONSULTANT

S. C. R. PESHWA, M.SC., FGS

Mr. Peshwa has over 25 years of experience as a mining and exploration geologist and specializes in gold exploration and resource modeling studies. He worked as a Mining & Exploration Geologist for 13 years with Bharat Gold Mines Limited. He has the distinction of working in the world famous Champion Reef Mine and carried out detailed exploration of Champion lode system both in deep and shallow levels. This has resulted in delineating new parallel lodes of the Champion Lode system. From 1996 to 2002 he worked as a Project Manager with ACC Limited and was involved in exploration of gold and other minerals. Mr. Peshwa is an RQP holder from the Indian Bureau of Mines. He successfully carried out gold prospecting in the Red Sea hills region of Sudan. Mr. Peshwa is responsible for all the Company's projects in the Hutti region.

GEOLOGICAL CONSULTANT

DR. M. K. DEVARAJAN

Dr. Devarajan guides the exploration activities in respect of some gold exploration projects of the company. He was with the Geological Survey of India for 17 years and while in GSI, had carried out geological mapping and exploration for copper in the extension areas of the world class Malanjkhand of Central India. He had also carried out exploration for manganese in the Sausar belt and for gold in the Mahakoshal belt. He also led the investigations for the site selection studies of a Nuclear Power Plant in the Ratnagiri district of Maharashtra.

GEOLOGICAL CONSULTANT

DR. M. HANUMA PRASAD

Dr. Hanuma Prasad has 8 years of experience as Geologist in Geological Survey of India and has carried out geological mapping and mineral resources assessment particularly gold, copper and nickel in the supra crustal belts in parts of Mahakoshal belt, Betul and Sakoli belt in Central India. He has several important publications to his credit.

GEOLOGICAL CONSULTANT

DR. SALEEMAHMED KHAN

Dr. Saleem Khan has over 26 years of experience as a Geologist in the Geological Survey of India. Dr. Saleem is highly experienced in geological mapping of all types of terrains and in exploration of gold, basemetals and PGE. He holds the distinction of discovering the gold deposits of G.R. Halli, Kotemardi and C.K. Halli in Chitradurga schist belt and Lakkikoppa in Shimoga-Dharwar schist belt. He also carried out detailed exploration, including drilling for epithermal gold & silver mineralization in Republic of Djibouti (North East Africa). Dr. Saleem is presently involved in evaluating the gold resources in PL blocks of Mahakoshal belt in Madhya Pradesh, India. Dr. Saleem is an IBM recognized RQP for preparation of Mining Reports.