

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of *Australasia Gold Limited* will be held at 176 Greenhill Road, PARKSIDE, SA on Tuesday 23rd December 2008 at 11.00 am

Ordinary Business

Financial Report

To receive and consider the Company's financial statements and independent audit report for the year ended 30 June 2008.

Resolution 1. Remuneration Report

To approve the Remuneration Report contained in the Directors Report for the year ended 30 June 2008.

Resolution 2. Election of a Director

Mr Mick Billing retires as a Director in accordance with the Company's Constitution and being eligible, offers himself for re-election.

Other Business

Resolution 3. Ratification of an issue of shares

That for the purpose of Listing Rule 7.4 of the listing rules of the Australian Securities Exchange, and for all other purposes the issue of 2,000,000 ordinary shares in the capital of the Company, in accordance with the attached Explanatory Memorandum, be approved.

The Company will disregard any votes cast on this resolution by vendors of the Dundas (WA) project or any associate of those vendors.

However the company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides*

Resolution 4. Approval for the issue of up to 4,000,000 shares and 5 million options to acquire shares

That for the purpose of Listing Rule 7.1 of the listing rules of the Australian Securities Exchange, and for all other purposes the issue of up to 4,000,000 ordinary shares in the capital of the Company, plus 5 million options to acquire shares at 20 cents per share in accordance with the terms of the attached Explanatory Memorandum, be approved

The Company will disregard any votes cast on this resolution by vendors of the Dundas (WA) project or any associate of those vendors.

However the company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides*

Resolution 5. Approval for placement of up to 50,000,000 shares

That for the purpose of Listing Rule 7.1 of the listing rules of the Australian Securities Exchange, and for all other purposes the issue of up to 50,000,000 ordinary shares in the capital of the Company, at an issue price equal to not less than 80% of the volume weighted average price of Shares in the 5 trading days immediately preceding the issue in accordance with the terms of the attached Explanatory Memorandum, be approved

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and any associate of those persons and a person who may obtain a benefit, except a benefit solely in the capacity of a shareholder if this Resolution 5 is passed.

However the company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides*

Resolution 6. Approval of the issue of shares to Directors in lieu of Directors' Remuneration

"That for the purpose of Listing Rule 10.11 of the listing rules of the Australian Securities Exchange, and for all other purposes the Company approves:

- the issue of up to the equivalent of \$5,000 in ordinary fully paid shares to Mr Norton Jackson, Non-Executive Director, or his nominee, in accordance with the attached Explanatory Memorandum;
- the issue of up to the equivalent of \$5,000 in ordinary fully paid shares to Mr Michael Robert Billing, Non-Executive Director, or his nominee, in accordance with the attached Explanatory Memorandum;
- the issue of up to the equivalent of \$6,250 in ordinary fully paid shares to Mr John Barry Roberts, Chairman of the Company or his nominee, in accordance with the attached Explanatory Memorandum."
- the issue of up to the equivalent of \$67,852 in ordinary fully paid shares to Mr Trevor John Ireland, Managing Director of the Company or his nominee, in accordance with the attached Explanatory Memorandum."

The Company will disregard any votes cast on this resolution by the Directors, or any associate of those persons, or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed.

However the Company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.*

By order of the Board



M R Billing

Company Secretary

Dated this 17 Day of November 2008

Voting Entitlements

Pursuant to the Corporations Regulations 2001.7.11.37 made pursuant to Section 1074E(2)(g) of the Corporations Act 2001, the Directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting will be as it appears in the share register at close of business on 19 December 2008.

Proxies

A shareholder has the right to appoint a proxy, who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy form must be deposited at the share registry of the Company, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, VIC 3001 or at the Company's registered office, Unit 12, Stirling Tiers, 49 Mt Barker Road, STIRLING, SA 5152, or by facsimile to Computershare on (within Australia) 1800 783 447 or (outside Australia) 61 3 9473 2555 or to the Company on 61 8 8132 0199 not later than 48 hours before the commencement of the meeting.

AUSTRALASIA GOLD LIMITED

ACN 104 757 904

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of members in connection with the business to be conducted at the Annual General Meeting of *Australasia Gold Limited* to be held at 176 Greenhill Road, PARKSIDE, SA on Tuesday 23rd December 2008 at 11.00 am.

This Explanatory Memorandum forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Resolution 3. Ratification of an issue of shares

Resolution 3 seeks approval, pursuant to Australian Securities Exchange ASX Listing Rule 7.4 for the issue of 2,000,000 shares to the Dundas syndicate, on 26 August 2008.

Under ASX Listing Rule 7.1, a company may not issue more than 15% of issued capital in any 12 month period without obtaining shareholder approval or being within certain exceptions set out in ASX Listing Rule 7.2. ASX Listing Rule 7.4 states that an issue of securities made without approval under Listing Rule 7.1 will be made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and holders of ordinary shares subsequently approve the issue.

Shareholder approval is therefore retrospectively sought pursuant to ASX Listing Rule 7.4 for the issue of 2,000,000 shares as part payment for the acquisition of the Dundas project in Western Australia to the abovementioned parties. The shares shall be issued on the same terms as all existing shares in the Company.

Although the issue of these securities was not in excess of the limits prescribed by ASX Listing Rule 7.1, shareholder approval is sought to ensure the Company maintains flexibility during the upcoming 12 month period to supplement the Company's working capital requirements, should the Board determine this to be in the best interests of the Company.

The Company will disregard any votes cast on this resolution by members of the Dundas syndicate or any associate of those entities.

However the company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides*

Resolution 4. Approval for the issue of up to 4,000,000 shares and 5,000,000 options to acquire shares

Resolution 4 seeks approval to Australian Securities Exchange ASX Listing Rule 7.1 for the issue of up to 4,000,000 ordinary shares plus 5 million options to acquire shares at 20 cents per share to members of the Dundas syndicate.

Under ASX Listing Rule 7.1, a company may not issue more than 15% of issued capital in any 12 month period without obtaining shareholder approval or being within certain exceptions set out in ASX Listing Rule 7.2. Resolution 4 has been included so that shareholders may approve, for the purposes of Listing Rule 7.1, the issue to members of the Dundas syndicate 4,000,000 ordinary shares, along with 5,000,000 options to acquire ordinary shares for 20 cents with a 4 year expiry period. The securities will be issued as consideration for the acquisition of exploration licences E63/1100, E63/1101, E63/872, and E63/1102 in Western Australia.

Information required by ASX Listing Rule 7.3

For the purpose of Listing Rule 7.1 the following is provided:

- The maximum number of securities to be allotted under Resolution 4 is;
 - 4,000,000 ordinary shares,
 - 5,000,000 options expiring 4 years after issue, exercisable at 20 cents

- The shares will be issued to members of the Dundas syndicate as vendors of the Dundas gold project in Western Australia no later than 3 months after the date of this meeting;
- The securities will be issued as consideration for the acquisition of exploration licences E63/1100, E63/1101, E63/872, and E63/1102 in Western Australia on the basis of 1 million shares upon the grant of each tenement plus 5 million options once all tenements are granted.
- The shares to be issued are fully paid ordinary shares in the capital of the Company and will rank equally in all respects with existing fully paid shares in the capital of the Company
- The options, on conversion will convert to fully paid ordinary shares in the capital of the Company and will rank equally in all respects with existing fully paid shares in the capital of the Company

The Company will disregard any votes cast on this resolution by members of the Dundas syndicate or any associate of those entities.

However the company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides*

Resolution 5 - Approval for a placement of up to 50,000,000 shares

Resolution 4 seeks approval for the issue of up to 50,000,000 ordinary shares to institutional, professional, and sophisticated investors.

Under ASX Listing Rule 7.1, a company may not issue more than 15% of issued capital in any 12 month period without obtaining shareholder approval or being within certain exceptions set out in ASX Listing Rule 7.2. Resolution 5 has been included so that shareholders may approve, for the purposes of Listing Rule 7.1, the issue of 50,000,000 shares to institutional, professional, and sophisticated investors. The shares will be issued at an issue price not less than 80% of the volume weighted average price of the shares in the 5 trading days immediately prior to the issue.

Information required by ASX Listing Rule 7.3

For the purpose of Listing Rule 7.1 the following is provided:

- The maximum number of shares to be allotted under Resolution 5 is 50,000,000 shares;
- The shares will be issued to institutional, professional, and sophisticated investors no later than 3 months after the date of this meeting;
- The shares will be issued at a price not less than 80% of the average market price for the shares to be determined using the volume weighted average price of the shares in the 5 trading days immediately preceding the issue in which sales were recorded;
- The shares will be allotted to institutional, professional, and sophisticated investors;
- The shares to be issued are fully paid ordinary shares in the capital of the Company and will rank equally in all respects with existing fully paid shares in the capital of the Company; and
- All funds raised through the issue of the shares, the subject of this resolution 5, will be used for ongoing exploration and development of the company's portfolio of projects.

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and any associate of those persons and a person who may obtain a benefit, except a benefit solely in the capacity of a shareholder if this Resolution 5 is passed.

However the company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides*

Resolution 6 – Approval of the issue of shares to Directors in lieu of Directors’ remuneration

In order to preserve Company funds during the current economic climate where many exploration companies are experiencing challenging times raising equity capital, Mr Jackson and Mr Billing have each agreed to reduce their Directors’ fees by \$5,000 per quarter and Mr Roberts agreed to reduce his Director’s fees by \$6,250 per quarter with effect from 1st October 2008, while Mr Ireland has agreed to reduce his salary payment by \$67,852 with effect from 1st August 2008 until 31 December 2008. The purpose of this resolution is to give the Directors the opportunity to be paid for their services in fully paid shares in the Company up to the equivalent value of \$5,000 at 31 December 2008 for Mr Jackson and Mr Billing, up to the equivalent value of \$6,250 at 31 December 2008, for Mr Roberts, and to the equivalent value of \$67,852 at 31 December 2008 for Mr Ireland for the period from commencement of the Directors remuneration reduction. The fully paid shares would be issued at the volume weighted average price (“VWAP”) of the shares during the five ASX trading days prior to 31 December 2008.

This resolution will enable the Company to issue fully paid shares at the Company’s or the Directors’ election, up to the value of \$5,000 for each of Mr Jackson and Mr Billing and up to the value of \$6,250 for Mr Roberts and \$67,852 for Mr Ireland as detailed above.

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue securities to particular parties, without first obtaining the approval of members.

For this purpose ASX Listing Rule 10.13 provides that the following information must be provided to shareholders:

- The maximum number of securities that may be issued to each of Mr Jackson and Mr Billing under Resolution 10 is a number of fully paid ordinary shares equivalent to \$5,000;
- The maximum number of securities that may be issued to Mr Roberts under Resolution 10 is a number of fully paid ordinary shares equivalent to \$6,250;
- The maximum number of securities that may be issued to Mr Ireland under Resolution 10 is a number of fully paid ordinary shares equivalent to \$67,852;
- Up to \$5,000 in ordinary shares will be issued to each of Mr Jackson and Mr Billing at the VWAP price during the five trading days before 31 December 2008. The company’s closing share price on 14th November 2008, the last trading day before the date of this notice was 3.5 cents per share;
- Up to \$6,250 in ordinary shares will be issued to Mr Roberts at the VWAP price during the five trading days before 31 December 2008. The company’s closing share price on 14th November 2008, the last trading day before the date of this notice was 3.5 cents per share;
- Up to \$67,852 in ordinary shares will be issued to Mr Ireland at the VWAP price during the five trading days before 31 December 2008. The company’s closing share price on 14th November 2008, the last trading day before the date of this notice was 3.5 cents per share;
- The ordinary shares will be issued within 1 month of the date of this meeting as detailed above.
- The ordinary shares will be issued at 5 day VWAP share price immediately before the issue date above in lieu of remuneration to which the Directors would otherwise be entitled to. Each share issued pursuant to the will rank pari passu with all existing ordinary fully paid shares of the Company.

No funds will be raised by the issue of the ordinary shares and no loans will be made in relation to the shares.

The Company will disregard any votes cast on this resolution by the Directors, or any associate of the Directors, or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed.

However the Company will not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.*

000001 000 AAO
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 11.00am (Adelaide time) Sunday 21st December 2008

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Australasia Gold Limited hereby appoint

the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Australasia Gold Limited to be held at 64 Greenhill Road, Parkside, SA on Tuesday, 23rd December 2008 at 11.00am and at any adjournment of that meeting.

Important for Item 6: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 6 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 6 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 6 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1. Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-elect Mr Mick Billing as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval for Ratification of an Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval for the Issue of up to 4,000,000 Shares and 5,000,000 Options to acquire Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval for Placement of up to 50,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of the Issue of Shares to Directors in lieu of Directors' Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____