

19 May 2010

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

COMPLETION OF ENTITLEMENTS SHORTFALL

Australasia Gold Ltd (ASX : AAO) is pleased to announce that processing of shortfall applications for the Entitlements Issue announced on 12 March 2010 has been completed. As announced on 21 April 2010 eligible shareholders took up entitlements of 12,174,355 New Shares (with an equal number of free attaching New Options), raising \$608,717.75.

Due to substantial oversubscription, applications for additional New Shares and New Options were scaled back. The shortfall of 12,876,746 New Shares (with an equal number of free attaching New Options) has now been issued. The issue of shortfall New Shares and New Options raised a further \$643,837.30, making the total amount raised under the Entitlement Issue \$1,252,555.05.

Holding statements for all entitlement shares and options will be dispatched shortly. Refunds for scale-back of shortfall applications have been dispatched.

Application for quotation of the New Shares and New Options was made in the Appendix 3B lodged on 15 March 2010.

Bruno Firriolo
Company Secretary