

29 April 2010

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

AUSTRALASIA GOLD LTD QUARTERLY ACTIVITIES REPORT MARCH 2010

HIGHLIGHTS

- Cultural Heritage Clearance completed on EL 3542
- Airborne electromagnetic surveys completed on EL 3542
- GENZL has satisfied the Earning Obligation
- GENZL has indicated its intention to start alluvial mining in the next 6 months

REVIEW OF EXPLORATION

MURNINNIE, GAWLER CRATON, S.A. (Australasia Gold: 90% and 27% of sediment-hosted uranium discovered under terms of joint venture with UraniumSA Limited)

A Cultural Heritage clearance survey for drilling on the Joint Venture Ground EL3542 has now been completed. This survey had been postponed by various events within the Barnarla claimant group.

UraniumSA Limited (USA) intended to commence drilling at its Plumbush Prospect in April 2010, and then move to the JV ground to the south (EL 3542) where USA intends to drill reconnaissance holes with follow up in-fill drilling.

In January 2010, Geosolutions Pty Ltd completed an EM survey over the southern portion of the Mullaquana Project and into the AAO Joint Venture ground. Results have been received and are being interpreted.

NORTHERN TERRITORY

A full review of the Northern Territory tenements has been conducted during the quarter and the Eastern Tenement Joint Venture, known as Mt Wells Nth EL 22301 & McKinley EL 23824, has been terminated.

OTAGO (New Zealand) ALLUVIAL GOLD PROSPECTS (Glass Earth NZ Pty Ltd (GENZ) – earning 70%)

GENZ alluvial exploration work has expended a development budget of NZ\$210k and has also committed capital budget of NZ\$500k to 700k, with the intention of moving to alluvial mining.

FINANCE

At 31 March 2010 the Company had available cash totalling \$595,000.

Exploration and evaluation expenditure for the quarter was \$19,000.

Attached is a copy of the Company's Mining Exploration Entity Quarterly Report (Appendix 5B) in accordance with Listing Rule 5.3.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Nicholas Revell who is a member of the Australasian Institute of Mining & Metallurgy. Mr Revell is an employee of Australasia Gold Limited and has sufficient experience relevant to the styles of mineralisation under consideration and to the subject matter of the report to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Revell consents to the inclusion in the report of the matters based on his information in the form and context in which they occur.

For further information please contact Nicholas Revell on 08 92404111 nrevell@australasiagold.com.au

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Australasia Gold Limited

ABN

93 104 757 904

Quarter ended ("current quarter")

31 March 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(19)	(79)
(b) development		
(c) production		
(d) administration	(60)	(188)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	9	19
1.5 Interest and other costs of finance paid		
1.6 Income taxes refunded / (paid)		
1.7 Other (provide details if material)		
Tenement bonds refunded	-	9
Net Operating Cash Flows	(70)	(239)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	-	(1)
1.13 Total operating and investing cash flows (carried forward)	(70)	(240)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(70)	(240)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Share issue costs		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(70)	(240)
1.20	Cash at beginning of quarter/year to date	665	835
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	595	595

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	26
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions	
	N/A	

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	NIL	
3.2	Credit standby arrangements	NIL	

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	30
4.2	Development	NIL
Total		30

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7	32
5.2 Deposits at call	583	633
5.3 Bank overdraft		
5.4 Other		
Total: cash at end of quarter (item 1.22)	590	665

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	EL 22301 Relinquished EL 23824 Relinquished	100% 100%	0% 0%
6.2	Interests in mining tenements acquired or increased	Nil		

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter (continued)

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	100,204,401	100,204,401		
7.4 Changes during quarter (a) Increases through issues (b) Exercise of options (c) Decreases through return of capital, buy-backs (d) Increase pursuant to underwriting of options				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	2,000,000	-	\$0.80	25 August 2010
	170,000	-	\$0.13	30 November 2011
	100,000	-	\$0.19	13 March 2012
	75,000	-	\$0.12	31 October 2012
	150,000	-	\$0.11	31 December 2012
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.11	Debentures <i>(totals only)</i>		
7.12	Unsecured notes <i>(totals only)</i>		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does ~~/does not*~~ *(delete one)* give a true and fair view of the matters disclosed.



Sign here:..... Date: 29 April 2010
(Director/Company Secretary)

Print name: Bruno Firriolo

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent, which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.