

Monday, 16 March 2009

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

WITHDRAWAL FROM DUNDAS (WA) PROJECT

Directors of Australasia Gold Limited advise their decision in light of the current capital market and the Company's current financial reserves to withdraw their challenge to the termination proposed by the vendors of the Dundas Acquisition Agreement. With reference to the Company's announcement dated 22nd December 2009 this decision reflects the Company's acceptance of the termination and withdrawal from the project.

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