

29 July 2009

Company Announcements Office
Australian Stock Exchange Ltd
20 Bridge St
SYDNEY 2000

AUSTRALASIA GOLD LTD: QUARTERLY ACTIVITIES REPORT – JUNE 2009

HIGHLIGHTS

- **Joint Venture signed with UraniumSA Limited to explore for uranium on EL 3542 Murninnie South Australia**
- **Rights Issue raises \$396,000**
- **Mr J. Terpu elected as Chairman**
- **Available cash at 30th June 2009 : \$835,000**

Gawler Craton South Australia – EL 3542 Murninnie (90%)

EL 3542 is situated approximately 45 kilometres south west of Whyalla in the south-eastern part of the Gawler Craton.

An agreement was signed which gives effect to the arrangement (the JV) foreshadowed during 2008 between the Company and UraniumSA Limited for the joint exploration of a part of the exploration licence which is prospective for sediment-hosted uranium.

The Agreement enables UraniumSA to earn a 70% interest in the JV by sole funding exploration to the point of presentation of a JORC compliant inferred resource estimate of uranium mineralisation which may be discovered. UraniumSA is committed to a minimum program of airborne electromagnetic (em) survey and 12 drill holes during the initial 12 months operation of the JV. The em survey has been completed and interpretation of data is in progress.

Australasia Gold will benefit from UraniumSA's technical and operational expertise in regard to exploration of this style of uranium mineralisation.

Australasia Gold retains ownership of the underlying basement rocks which may be prospective for other styles of copper/ uranium/ gold mineralisation and proposes to continue independently its exploration of the whole of the EL for these styles of mineralisation which are not covered by the JV.

Recapitalisation

Funds totalling \$396,000 were raised through an underwritten rights issue.

Corporate Changes

Mr John Terpu was been appointed as Chairman following the resignation of Mr John Roberts.

Program

During the first quarter of the new financial year the Company will commence metallurgical testing of material collected during the 2008 drilling programs completed at Glencoe in the Northern Territory. UraniumSA will commence exploration for uranium at Murninnie in South Australia. The Company will continue to seek new project investment opportunities.

Available Cash

The Company had available cash at 30 June 2009 of \$835,000.

The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Trevor Ireland who is a Fellow of the Australasian Institute of Mining & Metallurgy. Mr Ireland 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 Ireland 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 Trevor Ireland on 08 8339 0580; tireland@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")

30 June 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(38)	(1,096)
(b) development		
(c) production		
(d) administration	(99)	(397)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	4	35
1.5 Interest and other costs of finance paid		
1.6 Income taxes refunded / (paid)		
1.7 Other (provide details if material)	-	74
Net Operating Cash Flows	133	(1,384)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	-	(2)
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	-	(2)
1.13 Total operating and investing cash flows (carried forward)	(133)	(1,386)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(133)	(1,386)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	396	1,036
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	85
1.17	Repayment of borrowings	-	(60)
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Share issue costs	(29)	(29)
	Net financing cash flows	367	1,032
	Net increase (decrease) in cash held	234	(354)
1.20	Cash at beginning of quarter/year to date	601	1,189
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	835	835

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	33
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	140
4.2	Development	NIL
Total		140

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	15	601
5.2	Deposits at call	820	-
5.3	Bank overdraft		
5.4	Other		
Total: cash at end of quarter (item 1.22)		835	601

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	EL3542 Conditional assignment of 70% interest to joint venture partner	100%	Minimum 30%
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	19,804,664	19,804,664	\$0.02	\$0.02
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	-	\$0.60	25 August 2009
	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
	225,000	-	\$0.11	31 December 2012
7.8 Issued during quarter				
7.9 Exercised during quarter				

+ See chapter 19 for defined terms.

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7.10	Expired during quarter				
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 ~~not~~* *(delete one)* give a true and fair view of the matters disclosed.



Sign here:..... Date: 29 July 2009
(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.