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The Company Announcements Platform
ASX Limited

By E-Lodgement

AUSTRALASIA GOLD LTD QUARTERLY ACTIVITIES REPORT – MARCH 2009

HIGHLIGHTS

- **Placement raises \$560,000**
- **1 for 4 rights issue launched.**
- **Management changes implemented**
- **Available cash at 31st March: \$601,000**

The March 2009 quarter was principally devoted to achieving the recapitalisation of the Company and the implementation of subsequent management changes.

Recapitalisation

Funds totalling \$560,000 were placed with the Company and 28 million shares issued in accordance with the terms of an Agreement signed with Nextstar Pty Ltd during December 2008 ('Nextstar Agreement'). The placement was approved by shareholders at the 2008 Annual General Meeting. These funds are additional to the \$80,000 placement reported in December 2008.

Shortly after the end of the quarter, the Company launched a fully underwritten rights issue ('the Issue') to raise a further \$400,000. The Issue entitles Australian and New Zealand-resident shareholders to acquire one new share for every four shares held, at an issue price of 2 cents per share, the same price as placement shares issued during the period just completed. Full details are contained in relevant ASX announcements commencing 14th April 2009.

Corporate Changes

As contemplated by the Nextstar Agreement announced on 15 December 2008, Mr John Terpu and Mr Bruno Firriolo have joined the Board, while Mr Mick Billing and Mr Norton Jackson have resigned. Bruno Firriolo has replaced Mick Billing as Company Secretary.

In order to minimise administrative costs, the Company's registered address and principal place of business has been relocated to shared facilities in Balcatta (Perth), Western Australia. A technical office is to be maintained at the Company's existing premises in Stirling, South Australia.

Projects

Dundas

In accord with the terms of the Nextstar Agreement the Dundas acquisition agreement was finally terminated late in the period.

Program

For the foreseeable future, the Company proposes to further the assessment of its Glencoe gold deposit (initially metallurgical testing of drill samples) and to maintain a modest program of exploration of its Pine Creek (N.T.) and Gawler Craton (S.A.) projects. In addition, it will seek new project investment opportunities.

Available Cash

The Company had available cash at March 31st 2009 of \$601,000

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.

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