

## **ASX RELEASE**

16 April 2009

The Company Announcements Platform  
ASX Limited

By E-lodgement

### **LETTER TO SHAREHOLDERS**

Following is correspondence sent today to the shareholders of Australasia Gold Limited in regards to a non-renounceable entitlement issue.

**Trevor Ireland**  
**MANAGING DIRECTOR**

16 April 2009

Dear Shareholder

**Non-Renounceable Entitlement Issue**

On 14 April 2009, the Company announced to the Australian Securities Exchange (**ASX**) the details of a non-renounceable entitlement issue of up to approximately 20,099,935 fully paid ordinary shares (**Shares**) at an issue price of 2 cents each, on the basis of one (1) Share for every 4 (four) Shares held on the record date, to raise approximately \$401,999 (**Offer**).

An offer document relating to the Offer (**Offer Document**) will be sent to Shareholders after the record date.

<b>Event</b>	<b>Date</b>
<b>Announcement of Offer and Appendix 3B</b>	<b>14 April 2009</b>
<b>Notice sent to security holders</b>	<b>16 April 2009</b>
<b>Ex date</b> (date from which securities commence trading without the entitlement to participate in the Rights Issue)	<b>17 April 2009</b>
<b>Record date</b> (date for determining entitlements of eligible shareholders to participate in the Rights Issue)	<b>23 April 2009</b>
<b>First cleansing notice and Offer Document lodged with ASX</b>	<b>24 April 2009</b>
<b>Offer Document dispatched to Shareholders</b> (expected date of dispatch of Offer Document, entitlement and acceptance forms)	<b>24 April 2009</b>
<b>Offer opens</b>	<b>24 April 2009</b>
<b>Closing date*</b>	<b>5pm (WST) 11 May 2009</b>
<b>Company to notify ASX of undersubscriptions (if any) **</b>	<b>14 May 2009</b>
<b>Dispatch holding statements **</b>	<b>19 May 2009</b>

\* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Shares.

\*\* These dates are indicative only.

**Use of Funds**

The Company intends to apply the funds raised from the Offer towards:

<b>Item of Expenditure</b>	<b>Amount (\$)</b>
Evaluation and acquisition of new projects	180,000
General Working Capital	171,999
Expenses of the Offer	50,000
<b>TOTAL</b>	<b>\$401,999</b>

The use of funds set out above is a “best estimate” only. It is important to recognise that the use of funds may be subject to change in line with results, circumstances and other opportunities.

Yours sincerely



**Trevor Ireland**  
**MANAGING DIRECTOR**