

**Quarterly Report
3rd Quarter ended 31 March 2009**

Austral Gold Limited
ABN 30 075 860 472

30 April 2009

Austral Gold Limited is pleased to advise the following activity for the **quarter ended 31 March 2009**

MILESTONES

- Release of the Half Yearly Report and Accounts ended 31 December 2008
- Amendment to the AMINSA Agreement
- Five Bullabulling tenements surrendered

Half Yearly Report and Accounts ended 31 December 2008

The Half Yearly Report and Accounts ended 31 December 2008 were lodged with the ASX on 16 March 2009.

**EXPLORATION ACTIVITIES – Chile
GUANACO GOLD PROJECT**

In 2008, a two stage reverse circulation drilling program was undertaken at Guanaco.

Stage 1 drilling took place in June, July and August 2008. The program was successful in identifying a significant/quartz vein structure 120 meters to the south and parallel to the Cachinalito Norte structure. This vein structure was named Natalia and contains the same mineral assemblages found in the gold-bearing veins in the district. Also, at Cachinalito Oeste, the gold/silver bearing structure was extended 650 meters to the west, where 12 holes encountered a silica/quartz vein structure with low grade gold/silver anomalies.

After interpretation and analysis of Stage 1 drilling, Stage 2 comprising approximately 750 metres of reverse circulation drilling concentrated in the Dumbo pit floor took place in late 2008.

Geostatistical analysis of the results of these drilling campaigns is currently being finalised and the Board looks forward to reporting the results of this work in the June quarter.

EXPLORATION ACTIVITIES – Argentina

Santa Cruz

During the first week of April, an archeological report was presented to the local authority from whom approval is expected by mid-year.

AMINSA

As announced in the 27 February 2009 ASX release, the AMINSA Earn In Agreement between Austral Gold Argentina (formerly Guanaco Capital Holding Argentina) 100% owned by Austral Gold Limited, and Patricio Jones, Ricardo Martinez and Roberto Martinez was amended.

Whilst the quantum of investment and the percentage earned in by Austral Gold Argentina has not changed, the timing of some installments can now be deferred contingent on investment strategies agreed by the AMINSA management committee.

As a consequence of this amendment to the AMINSA Earn In Agreement, US\$50,000 of shares in Aquiline Resources Inc. have been acquired in satisfaction for the outstanding scheduled payments at 31 December 2008.

EXPLORATION ACTIVITIES – Australia

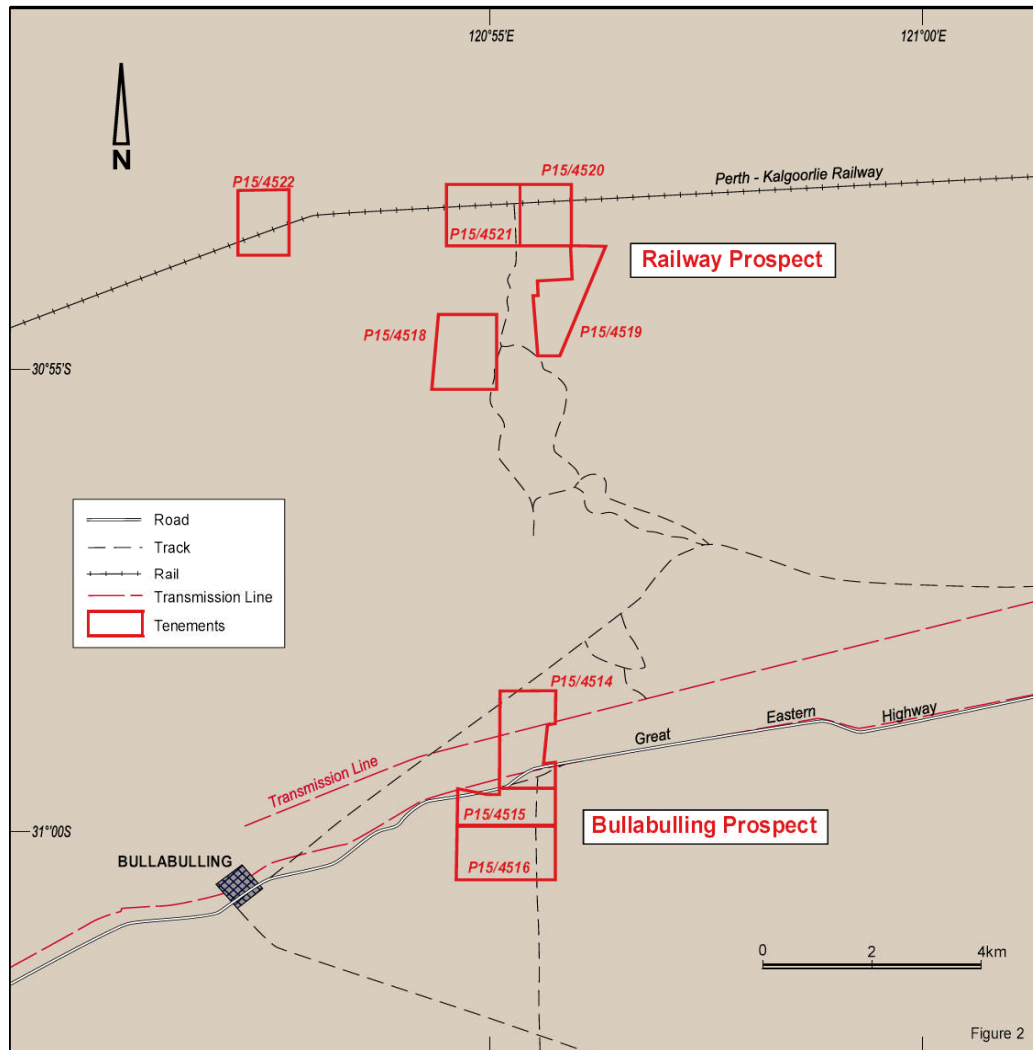
Bullabulling Project (95% interest)

The Bullabulling Project is located about 60 km west-southwest of Kalgoorlie in the Eastern Goldfields of Western Australia. The project comprises eight granted Prospecting Licences covering a total area of 1,233 hectares in the historical Bullabulling gold mining area.

As reported to the ASX in the quarterly report ended 31 December 2008, Austral Gold contracted the services of Optiro Pty Limited, a mining consulting firm in Western Australia, to explore and evaluate resources at Bullabulling. Optiro has since commenced research and field work on these tenements.

Following receipt of the report from Optiro, Austral Gold surrendered 5 of the 8 tenements held at Bullabulling. The tenements surrendered were P15/4514, P15/4518, P15/4520, P15/4521 and P15/4522.

Further exploration work is planned for the three remaining tenements at Bullabulling to which Austral Gold has title, namely P15/4515, P15/4516 and P15/4519.



**AUSTRAL GOLD LIMITED
BULLABULLING PROJECT
TENEMENT LOCATION PLAN**

Shareholders and the ASX will be kept informed as further information becomes available.

By Order of the Board

Catherine Lloyd
Company Secretary/Chief Financial Officer