AustralasiaGold
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Friday 20th March 2009

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

PLACEMENT RAISES $560,000

HIGHLIGHTS

- $560,000 contributed & 28 million shares issued
- Mr John Terpu and Mr Bruno Firriolo to join the board of Australasia Gold Limited
- Exploration focus on more advanced projects

PLACEMENT

After the evaluation of a number of alternative proposals for recapitalisation, the Company has placed a total of 28 million shares, at an issue price of 2.0 cents per share with members of the Nextstar consortium, under the terms of its December agreement.

These placements are additional to 4 million shares ($80,000) separately placed to the consortium in December 2008. Shareholder approval for the issue of up to 50 million shares expires today, Friday 20th March 2009. In total, and in concert with the changed arrangements outlined below, these transactions secure the Company's operating future throughout 2009 and into 2010 and provide a foundation for rebuilding the Company's project portfolio.

BOARD APPOINTMENTS

In response to the Board's invitation, Mr John Terpu and Mr Bruno Firriolo have agreed to join the Board of the Company.

The Board welcomes these two new appointments in anticipation that their particular experience and commercial associations will result in significant new opportunities for the Company.

EXPLORATION FOCUS

The Company currently intends to maintain its primary focus on gold and associated metals. Within both its existing projects and its project acquisition initiatives, attention will be concentrated more on advanced opportunities than greenfields initiatives. These will include further assessment of Glencoe gold deposit in the Northern Territory.

The Company is optimistic that new opportunities will be identified and secured for the Company by the strengthened board & management team.

For more information contact Trevor Ireland, Managing Director; (08) 8339 0580
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