

AUSTRALIAN GOLD INVESTMENTS LIMITED

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PLACEMENT TO RAISE \$6 MILLION FOR BAUXITE EXPLORATION IN QUEENSLAND

Australian Gold Investments Limited (to be renamed Queensland Bauxite Limited) ("AGV" or the "Company") is pleased to announce it has resolved to raise up to \$6 million through a placement of up to 28,571,429 fully paid ordinary shares at an issue price of 21 cents per share to sophisticated and professional investors ("Placement"). Hartleys Limited is Broker to the Offer.

The Placement will be issued pursuant to the Company's 15% capacity under ASX Listing Rule 7.1.

AGV's projects in Queensland cover 5,466 km² of bauxite prospective terrain within the East Australian Bauxite Province (see figures below). The Company is targeting long life DSO bauxite operations from its North and South Queensland Projects that are located close to critical infrastructure.

The proceeds from the Placement will be utilised for accelerated exploration activities at the Company's North and South Queensland Projects. Funds raised will also be applied to AGV's working capital requirements.

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Figure 1: AGV's Bauxite Prospective Projects in Queensland

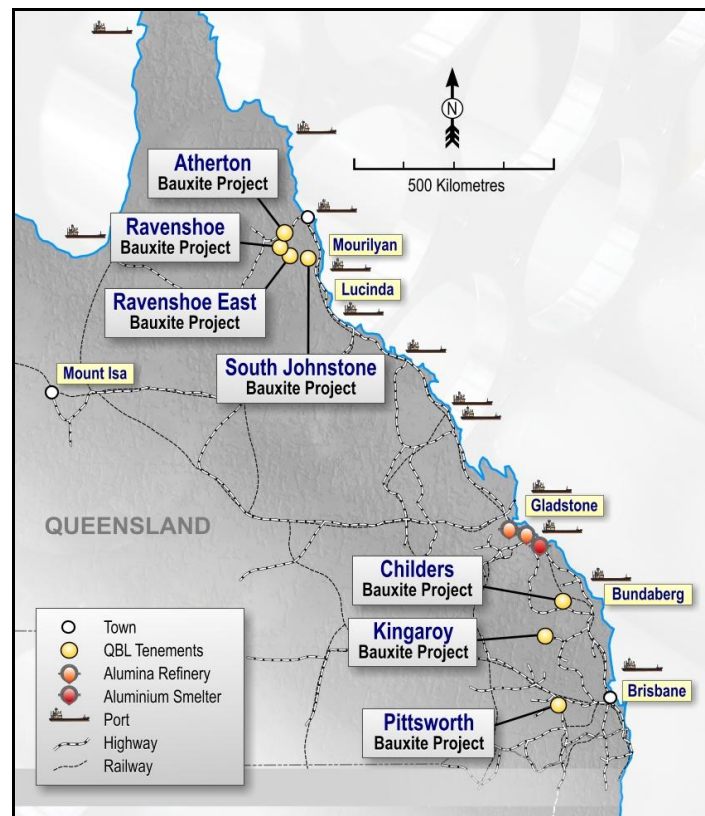


Figure 2: North Queensland Projects (100% AGV)

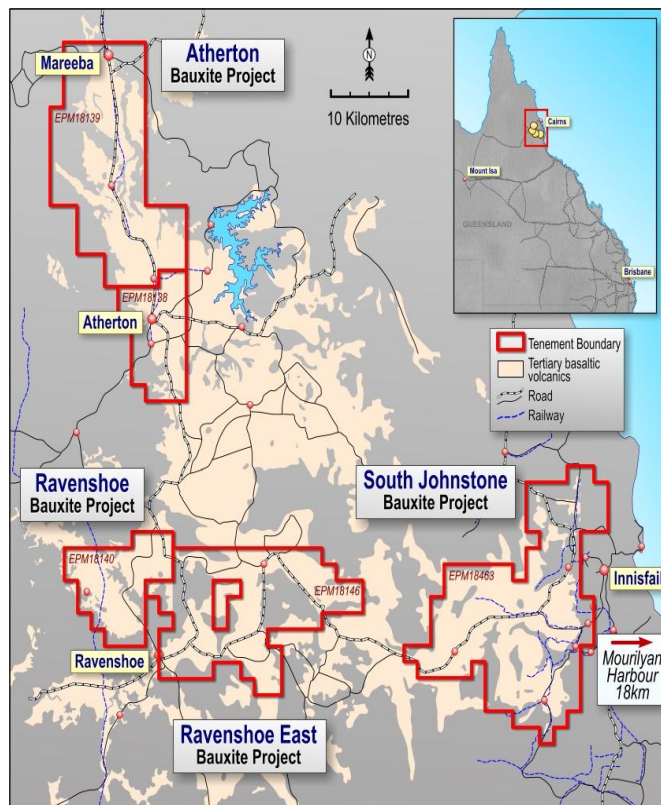


Figure 3: South Queensland Projects (80% AGV)

