



MEDIA RELEASE

Austral Gold Limited

12 August 2020

Austral Gold Appoints Wayne Hubert as Executive Chairman and Strengthens Exploration Team

Austral Gold Limited (the “Company”) (ASX: AGD; TSX-V: AGLD) is pleased to announce the appointment of **Wayne Hubert as the Company’s new Executive Chairman of the Board** and the appointment of **Raúl Guerra as the Company’s new Corporate VP of Exploration**. Current Chairman, **Eduardo Elsztain, the Company’s largest shareholder, remains on the Board as Non-Executive Vice-Chairman**.

Mr. Hubert is a mining executive with over 20 years’ experience working in the South American resources sector. From 2006 until 2010, he was the Chief Executive Officer of ASX-listed Andean Resources Limited and led the team that increased Andean’s value from \$70 million to \$3.5 billion in four years. Andean discovered and was developing the world-class silver and gold mine, Cerro Negro, in Argentina with a resource of over 5 million ounces of gold when it was acquired by Goldcorp Inc. of Canada.

Mr. Guerra brings more than 30 years of precious metal exploration experience to the Austral Gold team. Most recently, he was Vice-President of Latin America for Barrick Gold Corporation (Barrick). He has been involved in the discovery of more than 50 million ounces of gold including two large greenfield discoveries at Barrick.

Wayne Hubert said: “This is a great opportunity to build on the strong foundation Austral Gold has in place. We have solid cash generating assets, excellent exploration upside and a pipeline of organic growth and acquisition opportunities.”

Chief Executive Officer, Stabro Kasaneva added: “In addition to his duties as Chairman of the Board, Wayne will support our investor relations efforts to increase the Company’s market awareness. Raul Guerra’s experience is invaluable, and I look forward to his contribution to unlock and lead our exploration opportunities which is key to our growth strategy.”

Eduardo Elsztain commented: “With the current global uncertainty and improvements in the outlook for gold and silver, I am delighted that two outstanding professionals like Wayne and Raúl accepted executive roles in the Company. We’re at the stage where we need to strengthen our corporate strategy and increase the Company’s visibility and positioning in the market.”

In addition, as part of its overall effort to provide additional incentives for its employees, directors, officers and other eligible persons, the Board has approved major terms of an Equity Incentive Plan for the Company. Once completed, the Equity Incentive Plan will be subject to final approval by the Board as well as by the Australian Securities and Investments Commission (ASIC), the TSX Venture stock exchange (TSX.V), and the Company’s shareholders. Subject to approvals, the Company plans to grant an aggregate of approximately 17 million unlisted and unvested options and compensation shares, representing approximately 3% of the outstanding shares of the Company after issuance. The material terms of the unlisted and unvested options are

expected to include term of 3-5 years, vest in three equal tranches, and exercise price of A\$0.20 per share, subject to pricing requirements imposed by the ASX and TSX.V regulations. The compensation shares will be subject to resale restrictions. The terms are subject to change, and any shareholder approval documentation that will be dispatched in due course.

Incidental to their appointment, and subject in any event to regulatory and shareholder approvals referred to above, the Company has agreed to grant Mr. Hubert two million unlisted and unvested options and Mr. Guerra one million compensation shares.

About Austral Gold

Austral Gold Limited is a growing gold and silver mining, development and exploration company building a portfolio of quality assets in Chile, the US and Argentina. The Company's flagship Guanaco/Amancaya project in Chile is a gold and silver producing mine with further exploration upside. The company also holds the Casposo Mine (San Juan, Argentina), a ~26.46% interest in the Rawhide Mine (Nevada, USA) and an attractive portfolio of exploration projects including the Pingüino project in Santa Cruz, Argentina (100% interest) and the San Guillermo and Reprado projects near Amancaya (100% interest). With an experienced local technical team and highly regarded major shareholder, Austral's goal is to continue to strengthen its asset base through acquisition and discovery. Austral Gold Limited is listed on the TSX Venture Exchange (TSXV: AGLD), and the Australian Securities Exchange. (ASX: AGD). For more information, please consult the company's website www.australgold.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Release approved by the Chief Executive Officer of Austral Gold, Stabro Kasaneva.

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Forward Looking Statements

Statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", "believes" and words of similar import tend to identify forward-looking statements. Forward-looking statements in this news release include Mr. Hubert's belief in the Company's excellent exploration upside and its pipeline of organic growth and acquisition opportunities, Mr. Kasaneva's expectation that Mr. Guerra's experience and contribution will unlock and lead the Company's exploration opportunities as a key component of the Company's growth strategy, the Company's belief in the exploration upside at Guanaco/Amancaya, in general, the Company's goal of continuing to strengthen its asset base through acquisition and discovery and the adoption of an incentive plan and the grant of options and compensation shares.

These forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets especially in light of the effects of the novel coronavirus,

uncertainty in the measurement of mineral reserves and resource estimates, Austral's ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties; unpredictable risks and hazards related to the development and operation of a mine or mineral property that are beyond the Company's control, the availability of capital to fund all of the Company's projects and other risks and uncertainties identified under the heading "Risk Factors" in the Company's continuous disclosure documents filed on the ASX and on SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Austral cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. Austral's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and Austral does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.