

MEDIA RELEASE
Austral Gold Limited
12 August 2016

AUSTRAL GOLD STRENGTHENS LEADERSHIP TEAM WITH APPOINTMENT OF CEO AND CFO

The Board of Austral Gold Limited (ASX: AGD, 'the Company' or 'Austral') is pleased to announce that it has appointed Stabro Kasaneva as Chief Executive Officer and José Bordogna as Chief Financial Officer effective immediately.

Stabro Kasaneva has been Chief Operating Officer of the Company since September 2009 and has led the Company from the re-start of the Guanaco mine in late 2010 and through to the past several years of consistent production of 50,000 Au oz annually.

Stabro has built a highly experienced operations team and has identified the portfolio of assets that the Company has acquired or sought to acquire through an ambitious M&A program. In his new role, Stabro will steer a much larger company and manage his team and Austral's asset base across South America.

Prior to his work with Austral Gold, Stabro served as Vice President of Operations at Andean Resources Ltd (since April 2008) and was General Manager of the El Penon mine in Chile (since 2006). He was instrumental in the discovery of the Dorada and Fortuna veins in the El Penon area and has held positions with Meridian Gold Inc., Compañía Minera Mantos De Oro, Codelco Chile, Inversiones Mineras Del Inca among other leading exploration and mining operations.

He holds a degree in Geology from the Universidad Católica del Norte, Chile.

The remuneration package for Stabro Kasaneva remains unchanged from that disclosed for him in the latest Austral Gold Annual Report.

José Bordogna has been an integral member of the Austral Gold team for the past three years and has been instrumental in helping Austral to work towards its strategic objective of becoming a significant South America-focused precious metals mining and exploration company. In his time with the company, José has overseen the conversion of more than US\$50 million in debt to equity, more than \$15m in equity investments with TSX-V listed exploration companies with assets in South America, as well as more than US\$50m in direct investments in key exploration and mining related assets in Argentina and Chile. In his new role, José will spearhead the Company as it undergoes a transformation to consolidate and grow the existing finance team to cope with future growth and complexity that comes with a growing company.

Prior to joining Austral Gold, José worked for the International Finance Corporation and Deloitte & Touche in Latin America. He holds an Accounting degree from the Pontificia Universidad Católica Argentina as well as a Masters of Corporate Finance from the Universidad del CEMA, Argentina and a Masters of International Business from the University of Sydney, Australia.

For additional information please contact:

Alison Crealy
Austral Gold Limited, Australia
info@australgold.com.au
61 (2) 9380 7233

Jose Bordogna
Austral Gold Limited, South America
jbordogna@australgold.com.au
54 (11) 4323 7558