CHAIRMAN'S ADDRESS
to the Annual General Meeting of Shareholders of Austral Gold Limited
Friday 20 November 2009

Ladies and Gentlemen - it is just after 11am and a quorum is present. I declare this Annual General Meeting of Austral Gold Limited properly constituted and open. My name is Mark Bethwaite and I am the Chairman of Austral Gold Limited.

I would like to introduce Robert Trzebski, the other Director with us today. Whilst we usually have with us Directors representing our major shareholder in Argentina, to minimise expenses they have not travelled to Sydney for this meeting. Apologies have thus been received from Eduardo Elsztain, Saul Zang, Pablo Vergara del Carril, Natalia Zang and Stabro Kasaneva.

I would like to introduce others involved with Austral Gold who are here today.

- Firstly, Company Secretary and Chief Financial Officer Catherine Lloyd
- Ema Volavola, who manages our Sydney office
- We also have Bruce Gordon our retiring Audit Partner and his successor Tim Sydenham, together with Calin Scott. All are from PKF, Austral Gold's auditor. On behalf of all of us, thank you to PKF for hosting today's AGM.

The formal business of this meeting is to consider and if thought fit to approve 10 resolutions as set out in the Notice of Meeting which I propose, with your approval, to take as read.

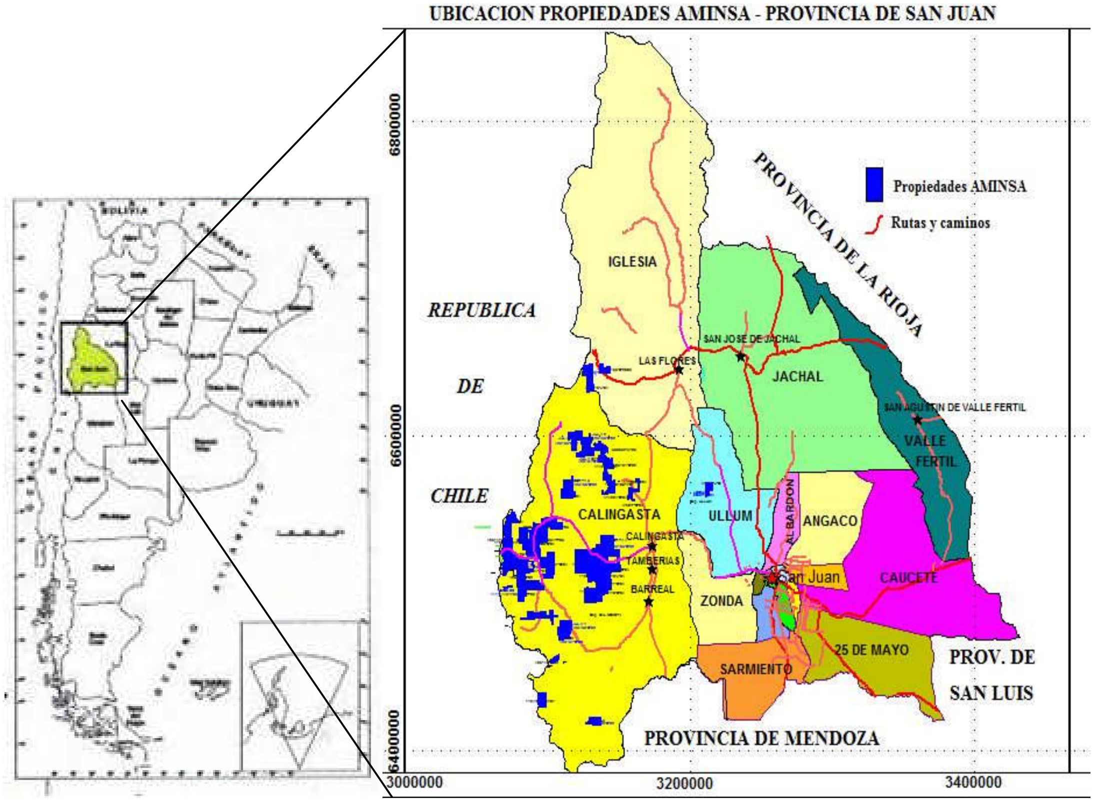
Is that Notice of Meeting approved? Thank you.

Before addressing those resolutions, I would to like update you on Austral Gold's activities since the last meeting of shareholders.

Strategy
Austral Gold's strategy continues to be to maximize shareholder value by the development of mineral deposits in which Austral Gold has an interest, providing such development demonstrates superior rates of return.

Operations
Austral Gold has exploration areas in Argentina and Chile and a significant mineral deposit in Chile. We no longer have exploration areas in Australia – all have now been sold, relinquished or forfeited to allow us to focus on our Guanaco project in Chile.

Slide 2



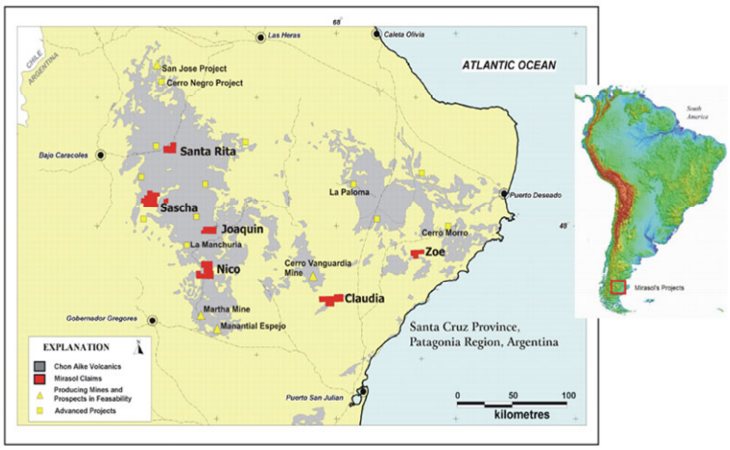
In Argentina, we are active in the province of San Juan and have interests in the province of Santa Cruz.

San Juan is in the north west of Argentina, near the border with Chile. Under an Agreement with Argentina Minera SA (AMINSA), Austral Gold is earning an interest in tenements covering approximately 227,000 hectares in San Juan.

The properties are located near Xstrata's advanced El Pachón copper exploration project in Argentina and Los Pelambres owned by Antofagasta Minerals in Chile.

Slide 3

Proyectos mineras en Santa Cruz: Mirasol Resources



GUANACO CAPITAL HOLDING ARGENTINA SA

In southern Patagonia, Austral Gold has nine tenement applications totalling almost 85,000 hectares in the Macizo el Deseado area in the Province of Santa Cruz.

Slide 4

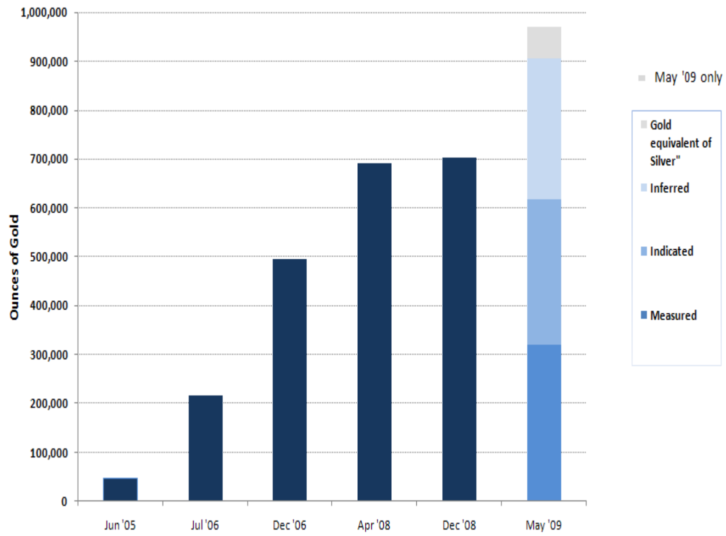
Guanaco

I now turn to our most important asset - the Guanaco Gold/Silver/Copper Project in Chile – 100% owned by Austral Gold. Guanaco is located some 220 kilometres south east of Antofagasta in northern Chile at an elevation of 2600 metres.

I am pleased to announce significant and ongoing progress at Guanaco.

Slide 5

Gold Resources - Guanaco



All mines start with a resource base. In the case of Guanaco, we have in recent years been driving towards a target of one million ounces of gold.

In June this year, we announced measured, indicated and inferred resources of 904,000 ounces of gold. The gold equivalent of our 3.9 million ounces of contained silver is some 65,000 ounces which brings us very close to our one million ounce target.

With that goal now achieved, we have entered into a new and exciting phase at Guanaco – driving towards development.

We have been fortunate to hire a number of outstanding mining professionals on site and at Antofagasta to conduct feasibility study and pre-development activities at Guanaco.

In early September, we announced the appointment of Messrs Stabro Kasaneva, Rodrigo Ramirez, Iván Cáceres, Christian Cubelli and Rafael Ocáriz. This is a quality team, widely respected in the industry and highly experienced in bringing Chilean gold and base metal mines to production.

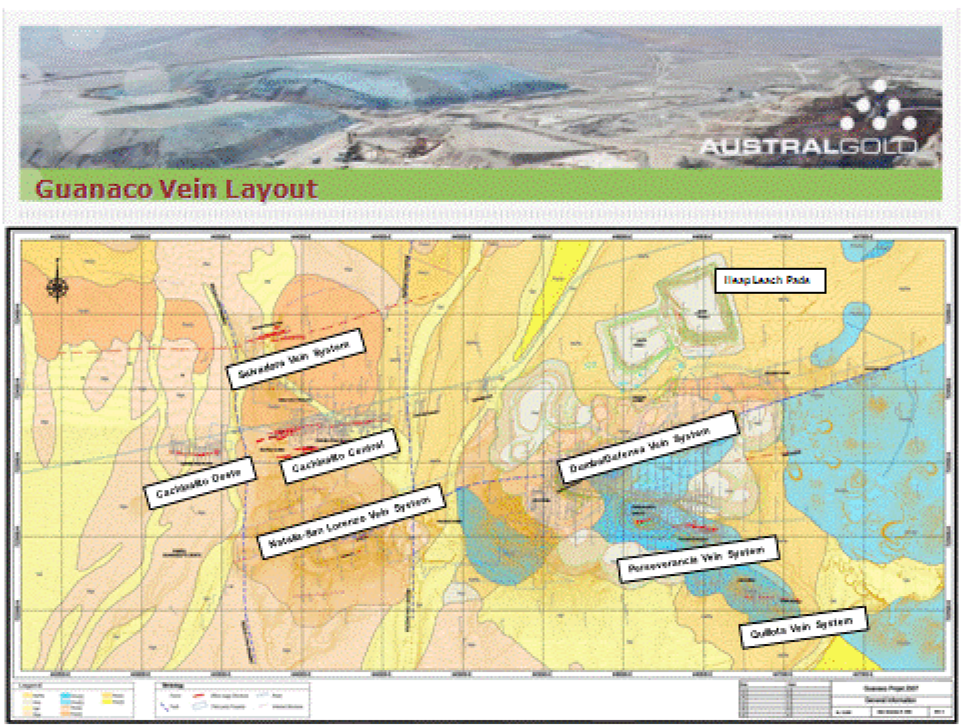
On 21 October, just one month ago, we announced a major milestone - the mandating of AMEC to conduct a Bankable Feasibility Study into restarting mining and processing operations.

AMEC is an international project management and engineering services company with extensive experience in the design and construction of mining projects. I am pleased to advise that the Guanaco Bankable Feasibility Study is now well under way and is expected to be complete in the June quarter of 2010.

We are undertaking a number of pre-development activities in parallel with feasibility.

Environmental Approval
In 2008, Austral Gold lodged a (Declaración de Impacto Ambiental or Environmetal Impact Declaration) to CONAMA (Comisión Nacional de Medio Ambiente) the Chilean environmental regulator for restarting the Guanaco mine. I am pleased to advise that formal environmental approval has already been granted.

Slide 6



700,000 ounces of our near one million ounces of resources at Guanaco are contained in ground in three principal vein systems – Cachinalito, Dumbo/Defensa and Perseverancia.

There are other veins parallel to these trends - Salvadora to the north and Natalia to the south of Cachinalito. To date, whilst all have shown encouraging prospectivity, none yet carry any gold resource ounces.

On 29 October, just three weeks ago, we announced commencement of our 2009/10 drilling campaign at Guanaco.

This campaign, of some 10,000 metres of reverse circulation and diamond drill holes, has two main objectives

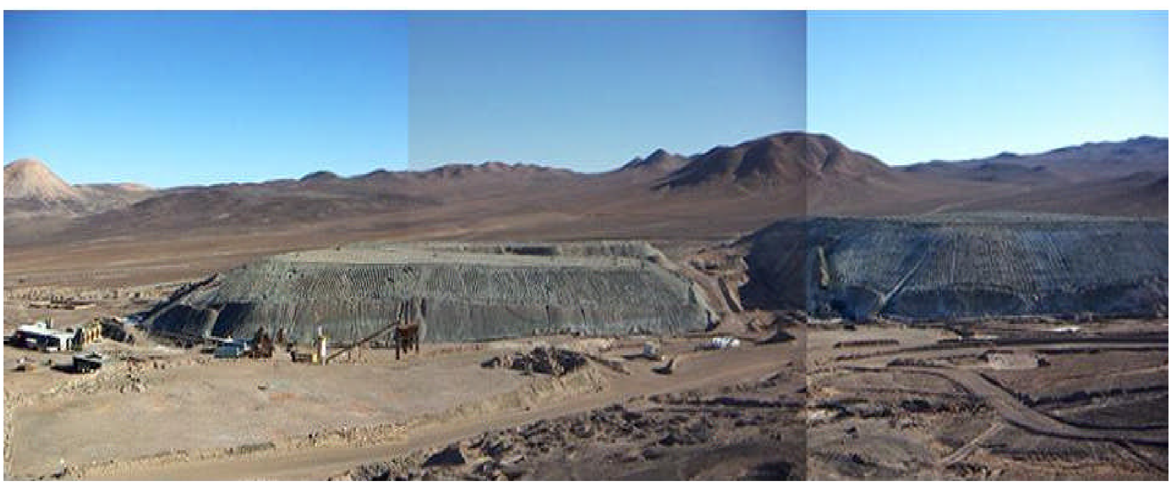
- to demonstrate high grade gold resources in the previously announced gold bearing Natalia vein close to and south of Cachinalito. The Natalia vein has not yet been tested in its horizon considered most favorable for mineralization.
- to support the feasibility study by better delineation of existing resources, expanding the resource base and by drilling geotechnical and condemnation holes.

Austral Gold is also in discussions with contractors in relation to driving an exploration decline in the Cachinalito vein area. This decline will allow detailed drilling from underground into Cachinalito vein mineralization to outline potential mining areas and assist in mine planning. From this decline, bulk samples can be extracted for metallurgical testing at pilot plant scale.

This exploration decline will, should development proceed, convert to a production incline for the transport of high grade ore mined underground from Cachinalito Central and Cachinalito West to surface for treatment.

We are planning for early production from the retreatment of heap leach material from prior mining operations at Guanaco.

Slide 7



From mining operations before 1999, some 11 million tonnes of gold bearing ore from the Dumbo/Defensa and Perseverancia open pits is stacked on two leach pads as seen on this slide. This ore has had primary leaching to produce gold through the Merrill Crowe gold recovery plant which can be seen on the left of the slide.

Part of Guanaco's gold resources is 195,000 ounces of gold contained within this 11million tonnes of heap leach material. It grades some 0.55 grams per tonne and metallurgical testing has shown that a recovery of 75% can be expected from secondary leaching of this material.

We are now investigating the merit of early refurbishment of the existing crushing and gold recovery plant to allow limited gold production as early as October 2010. Cash flow from early low scale production could be applied to finance the restart of mining at Guanaco once a development decision is taken.

Taken in total, the initiatives that have been announced in recent months and which I have just summarized

- Bankable Feasibility Study
- 2009/10 Exploration Program
- Driving of exploration decline
- Preparations for Secondary leaching of heap leach material

add up to a high level of activity intended to make Austral Gold a producer in the shortest possible time.

FORMAL CONSIDERATION OF RESOLUTIONS ON NOTICE OF MEETING

I would now like to turn to the formal business of the Meeting.

The proxies in relation to the first six Resolutions in the Notice of Meeting which have been received by the Company before the closing time and date are as shown on this slide.

Slide 8

Proxies

Resolution	Total Valid Proxies	Proxies FOR	Proxies AGAINST	Proxies ABSTAINING	Proxies OPEN
RESOLUTION 1 Receive and Consider Financial Statements and Directors Report	147,637,525	147,637,425	100	-	-
RESOLUTION 2 Adoption of Remuneration Report	147,637,525	147,637,525	-	-	-
RESOLUTION 3 Re-election of Mr Eduardo Elsztain	147,637,525	147,634,025	3,500	-	-
RESOLUTION 4 Re-election of Mr Saul Zang	147,637,525	147,634,025	3,500	-	-
RESOLUTION 5 Re-election of Dr Robert Trzebski	147,637,525	147,634,025	3,500	-	-
RESOLUTION 6 Re-election of Mr Stabro Kasaneva	147,637,525	147,634,025	3,500	-	-

1. RESOLUTION 1 – ADOPTION OF FINANCIAL STATEMENTS AND DIRECTORS' REPORTS

The Company's Financial Report and reports of Directors and Auditors for the year ended 30 June 2009 were posted on the Company's website and mailed to all shareholders who requested it together with the Notice of this Annual General Meeting.

I now move that Resolution 1 as set out in the Notice of Meeting as an ordinary resolution:

"To receive and consider the Annual Financial Report together with the Directors' and Auditor's Reports for the period ending 30 June 2009"

be approved by shareholders

The motion is now open for discussion. This is the opportunity for shareholders to comment on or ask questions in relation to the affairs and activities of the Company over the past financial year and I invite you to do so now.

Is there any (more) discussion?

Q & A

There being no more discussion, I now put the motion – all those in favour? Against?

I declare the motion carried and Resolution 1 approved.

I now move to Resolution 2.

2. RESOLUTION 2 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2009 Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders however, should note that the vote on Resolution 2 is advisory only and not binding on the Company or its Directors.

I now move that Resolution 2 as set out in the Notice of Meeting as a non-binding resolution:

> *"That for the purposes of Section 250R(2) of the Corporations Act, the Company be authorised to adopt the Remuneration Report."*
>
> be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no more discussion, I now put the motion – all those in favour? Against?

I declare the motion carried and Resolution 2 approved.

I now move to Resolution 3.

3. RESOLUTION 3 – RE-ELECTION OF MR EDUARDO ELSZTAIN

Slide 9

Mr Elsztain was appointed as a Director on 29 June 2007 and was subsequently elected at the General Meeting of the Company on 30 November 2007. He now retires by rotation and, being eligible, seeks re-election in accordance with clause 13.2 of the Company's Constitution.

In moving Mr Elsztain's election, I advise that he is a member of the World Economic Forum, the Group of Fifty and Asociación Empresaria Argentina (Argentine Business Association) and has been engaged in the real estate business for more than twenty years.

Mr Elsztain is the Chairman of IFISA, Austral Gold's major shareholder and is Chairman or a Director of all of the major South American companies in which IFISA, Austral Gold's major shareholder has interests.

He is a senior and highly regarded South American businessman. As mentioned earlier, it is unfortunate that Eduardo cannot be with us today.

I now move that Resolution 3 as set out in the Notice of Meeting as an ordinary resolution:

> *"That Mr Eduardo Elsztain, who retires by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."*

be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no more discussion, I now put the motion – all those in favour? Against?

I declare the motion carried and Resolution 3 approved.

I now move to Resolution 4.

4. RESOLUTION 4 – RE-ELECTION OF MR SAUL ZANG

Slide 10

Mr Zang was appointed as a Director on 29 June 2007 and was subsequently elected at the General Meeting of the Company on 30 November 2007. He now retires by rotation and, being eligible, seeks re-election in accordance with clause 13.2 of the Company's Constitution.

Mr Zang obtained a law degree from University of Buenos Aires (Universidad de Buenos Aires). He is a member of the International Bar

Association and the Interamerican Federation of Lawyers de Abogados). He is a founding member of the law firm Zang, Bergel & Viñes.

In addition to being a highly regarded adviser in many areas of legal practice, Mr Zang is a Director of a number of major companies in Argentina, including the Buenos Aires Stock Exchange

I now wish to move that Resolution 4 as set out in the Notice of Meeting as an ordinary resolution:

> *"That Mr Saul Zang, who retires by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."*

be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 4 approved.

I now move to Resolution 5.

5. RESOLUTION 5 – RE-ELECTION OF DR ROBERT TRZEBSKI

Slide 11

Dr Trzebski was appointed as a Director on 22 April 2007 and was subsequently elected at the General Meeting of the Company on 22 May

2007. He now retires by rotation and, being eligible, seeks re-election in accordance with clause 13.2 of the Company's Constitution.

Dr Robert Trzebski holds a Degree in Geology, a PhD in Geophysics, a Master in International Project Management and has over 13 years of professional experience in mineral exploration, project management and research and development.

Dr Trzebski has been involved in developing international relationships between Australian and overseas mining companies. He is also actively involved with several bilateral chambers of commerce and has extensive industry networks in Australia and overseas.

I now wish to move that Resolution 5 as set out in the Notice of Meeting as an ordinary resolution:

> *"That Dr Robert Trzebski, who retires by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."*

be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 5 approved.

I now move to Resolution 6.

6. RESOLUTION 6 – RE-ELECTION OF MR STABRO KASANEVA

Slide 12

Pursuant to clause 13.4 of the Constitution, the Directors may at any time appoint a person to be a director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed holds office only until the next following General Meeting and is then eligible for re-election.

Mr Kasaneva was appointed as a Director on 7 October 2009 and now seeks re-election in accordance with clause 13.4 of the Constitution.
Mr Kasaneva holds a degree in Geology from the Universidad Católica del Norte, Chile. He has more than 20 years experience in geology and exploration of gold deposits, mainly focused in the area where Guanaco is located.

His experience includes eight years with Meridian Gold (now Yamana Gold) at its El Peñón Mine just to the north of Guanaco.

Mr Kasaneva worked one year at Austral Gold's Guanaco project as Geology Manager, before working at El Peñón as General Manager. He recently served as Vice-President of Operations for Andean Resources Limited, overseeing global operations and exploration, business development and feasibility studies.

Your Board believes he is the man to take Guanaco forward at this exciting time for the project and the Company.

I now wish to move that Resolution 6 as set out in the Notice of Meeting as an ordinary resolution:

> *"That in accordance with section 13.4 of the Company's Constitution, Mr Stabro Kasaneva having been appointed as a director of the Company on 7 October 2009 and, being eligible offers himself for re-election, be re-elected as a director of the Company*

be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

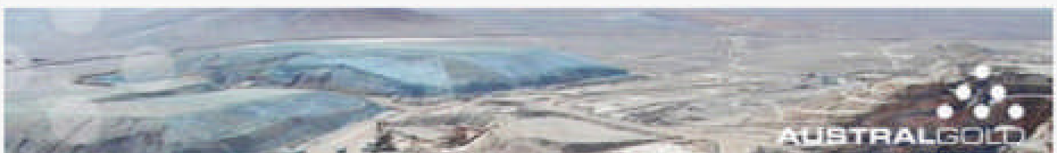
There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 6 approved.

The next four Resolutions deal with the issue and in one case cancellation of shares. The proxies in relation to Resolutions 7 through to 10 in the Notice of Meeting which have been received by the Company before the closing time and date are as shown on this slide.

Slide 13



Resolution	Total Valid Proxies	Proxies FOR	Proxies AGAINST	Proxies ABSTAINING	Proxies OPEN
RESOLUTION 7 Approval of Issue of May Shares	147,637,525	147,633,925	3,600	-	-
RESOLUTION 8 Approval of Issue of September Shares	147,637,525	147,633,925	3,600	-	-
RESOLUTION 9 Approval of Cancellation of Shares Issued to Ms Natalia Zang	147,637,525	147,637,425	100	-	-
RESOLUTION 10 Approval of Issue of Shares to Ms Natalia Zang	147,637,525	147,633,915	3,610	-	-

Resolution 7 and 8 are straight-forward, and stem from the employment contract under which Mr Carlos Peralta, our Exploration Manager at Guanaco is employed.

The relevant part of that contract states, *"…Austral Gold hereby acknowledges that Mr Peralta shall be entitled to receive ordinary fully paid-in shares of Austral Gold ("the shares") under the following terms and conditions:*

(i) An aggregate of 600,000 (six hundred thousand shares, in 3 (three) tranches; 200,000 in April 2009, 200,000 in April 2010 and 200,000 in April 2011.

In addition, Mr Peralta shall receive one share for each ounce discovered under the Discovery Bonus Scheme to be quantified based on measured resources resulting from exploration activities planned and led by Mr Peralta and audited by an independent third party hired by the Company.

Resolution 7 and 8 therefore give effect to the provisions of Mr Peralta's employment contract.

7. RESOLUTION 7 – APPROVAL OF ISSUE OF MAY SHARES

As required by the Listing Rules, the Company will disregard any votes on this resolution by Carlos Peralta and his associates.

I now wish to move that Resolution 7 as set out in the Notice of Meeting as an ordinary resolution:

> *"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval and ratification be given to the allotment and issue of 200,000 Shares on 22 May 2009 to Carlos Peralta pursuant to a letter of agreement dated 1 April 2008 at a price and on the terms set out in the Explanatory Statement to this Notice of Meeting."*

be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 7 approved.

8. RESOLUTION 8 – APPROVAL OF ISSUE OF SEPTEMBER SHARES

As required by the Listing Rules, the Company will disregard any votes on this resolution by Carlos Peralta and his associates.

I now wish to move that Resolution 8 as set out in the Notice of Meeting as an ordinary resolution:

> *"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval and ratification be given to the allotment and issue of 27,614 Shares on 14 September 2009 to Carlos Peralta pursuant to a resolution of the Board on 20 August 2009 at a price and on the terms set out in the Explanatory Statement to this Notice of Meeting."*

be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 8 approved.

Resolutions 9 and 10 deal with shares to a Director of the Company Ms Natalia Zang.

Natalia has served as a Director of Austral Gold Limited since 19 March 2008. She will retire from the Board after this meeting. Before becoming a Director she was an alternate Director of Austral Gold and a Director and Chief Financial Officer of Guanaco Capital Holding. She was also a Director and Chief Financial Officer of Guanaco Mining Company, which holds 100% of the Guanaco Mine.

She has also been a member of the Audit Committee whilst she has been a Director.

Whilst she has been an employee of a company associated with IFISA, Austral Gold's major shareholder, she has not been paid any remuneration by Austral

Gold for the many services she has performed over the past five years for the Company and its affiliates.

The Board therefore resolved to award 600,000 shares to Natalia on her stepping down as a Director. In so doing, without shareholder approval, the Board made a mistake, and we seek here to correct it, firstly by cancelling the 600,000 shares issued to Natalia Zang, then reissuing them through the resolutions below.

Subject to approval of the next two resolutions, the Company must also receive approval from Natalia Zang to cancel the 600,000 shares erroneously issued. I am holding written approval of this cancellation from Natalia which will be minuted in a separate meeting immediately following the conclusion of this AGM.

9. RESOLUTION 9 – APPROVAL OF CANCELLATION OF SHARES ISSUED TO NATALIA ZANG

As required by the Corporations Act, the Company will disregard any votes on this resolution by Natalia Zang and her associates.

I now wish to move that Resolution 9 as set out in the Notice of Meeting as a special resolution:

> *"That for the purposes of section 256C(2) of the Corporations Act and for all other purposes, approval is given for the Company to make a selective reduction of capital and cancel a total of 600,000 Shares held by Natalia Zang on the terms set out in the Explanatory Statement to this Notice of Meeting."*
>
> be approved by shareholders.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 9 approved.

10. RESOLUTION 10 – APPROVAL OF ISSUE OF SHARES TO NATALIA ZANG

Resolution 10 can only be passed if resolution 9 has been approved by the Shareholders as a special resolution. As resolution 9 has now been passed as a special resolution, I now wish to move that Resolution 10 as set out in the Notice of Meeting as an ordinary resolution:

> *"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given to the allotment and issue of 600,000 Shares to Natalia Zang at a price and on the terms set out in the Explanatory Statement to this Notice of Meeting."*

be approved by shareholders.

As required by the Listing Rules, the Company will disregard any votes on this resolution by Natalia Zang and her associates.

The motion is now open for discussion.

Q & A

Is there any (more) discussion?

There being no (more) discussion, I now put the motion.

All those in favour? Against?

I declare the motion carried and Resolution 10 approved.

That concludes the formal business of this Annual General Meeting of shareholders and I now declare this meeting closed.

Please bear with me for one minute while a second formal but very brief meeting is held. The second meeting set out in the Notice of Meeting is for the reduction of capital.

I declare this Meeting for the Reduction of Capital open.

Following shareholder approval of the selective reduction of capital through the cancellation of 600,000 shares to Ms Natalia Zang as set out in Resolution 9 in the previous Annual General Meeting, the Company must also seek approval from Ms Natalia Zang whose shares are being cancelled.

I now wish to move that Resolution 1 as set out in the Notice of Meeting as a special resolution:

> *"That for the purposes of section 256C(2) of the Corporations Act and for all other purposes, approval is given by Natalia Zang for the Company to make a selective reduction of capital and cancel a total of 600,000 Shares held by Natalia Zang on the terms set out in the Explanatory Statement to this Notice of Meeting."*

be approved by those eligible to vote.

Pursuant to Regulation 7.11.37 of the Corporations Regulations, the only person eligible to vote at this Meeting is Ms Natalia Zang, whose shares are to be cancelled.

As mentioned previously I have a valid proxy from Natalia voting in favour of this resolution and therefore declare the motion carried and Resolution 1 approved.

I now declare the Meeting for the Reduction of Capital closed.

That concludes the business of today's meetings and I thank you for your attendance.

Looking to the future, Austral Gold has a significant asset in the Guanaco Project in Chile which is entering an exciting new phase.

I would like to again thank PKF, the Company's auditors, for making this room available to us. I now have pleasure in inviting you to join Directors, staff and our advisors for coffee and light refreshments.