MEDIA RELEASE
Austral Gold Limited
09 May 2018

Austral Gold
Amended Q1 2018 Report

Sydney, Australia-Austral Gold Limited ('the Company') (ASX: AGD; TSX-V: AGLD) is providing an amended Quarterly Activity Report for March 2018 originally lodged on 30 April 2018.

The Company advises of typographical errors on pages 1,3,4 and 14 of its March 2018 Quarterly Activity Report in relation to the Cash Cost and All-in Sustaining Cost at its Guanaco/Amancaya and Casposo mines. The disclosure of these costs has been corrected as follows:

Page 1-the average selling prices across all operations at US$1,324 per ounce of gold

Page 3 and 14-C1 Cash Cost (US$/AuEq oz)** at Casposo Mine (100% basis) 1,427

Page 4-Cash Cost (US$/AuEq oz)** at Guanaco/Amancaya Mines 990; Casposo Mine (100% basis) 1,427

Page 4-All-in Sustaining Cost (US$/AuEq oz)# at Guanaco/Amancaya Mines 1,120; Casposo Mine (100% basis) 1,903

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.

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MARCH 2018

Quarterly Activity Report

KEY HIGHLIGHTS

- Quarterly production (100% of the Casposo, Guanaco and Amancaya mines) was 14,258 gold ounces and 486,591 silver ounces (20,367 gold equivalent ounces) or 13,462 gold ounces and 370,583 silver ounces (18,122 gold equivalent ounces) net to Austral*.
- The combined production target for calendar year 2018 remains on target at 92,000 AuEq oz net to Austral* or 105,000 AuEq oz (100% basis).
- Quarterly operating cash cost (C1) and all-in-sustaining cost (AISC) across all operations were US$1,151 and US$1,409 per gold equivalent ounce respectively with average selling prices at US$1,324 per ounce of gold and US$16.8 per ounce of silver.
- Sales proceeds for the quarter were US$30.2m of which the Guanaco/Amancaya mine contributed US$17.4m and the Casposo mine US$12.8m.

Guanaco and Amancaya Mines Production

- Quarterly production was 11,606 gold ounces and 99,865 silver ounces (12,852 gold equivalent ounces) compared to the December quarter where production was 11,370 gold ounces and 73,440 silver ounces (or 12,329 gold equivalent ounces).
- Underground operations at Amancaya started during the March quarter in parallel with the exploitation of the open pit.
- Production at the Guanaco mine was affected by unexpected higher copper grades in the ore, and the Amancaya mine faced some short term production issues with grade dilution due to narrow vein mining. Both cases were solved and grades control procedures have improved.

Casposo Mine Production

- Quarterly production was 2,652 gold ounces and 386,726 silver ounces (100% basis) (7,515 gold equivalent ounces). Austral Gold's share of production was 1,856 gold ounces and 270,708 silver ounces (5,261 gold equivalent ounces (70% basis). (December quarter production was 5,544 gold ounces and 517,125 silver ounces (100% basis) (12,292 gold equivalent ounces).
- Production at the Casposo mine decreased from the prior quarter mainly due to lower head grades due to blending ore from the underground mine with low-grade ore stocks fed to the mill to compensate for the deficit of ore extraction from the mine. To improve production at the Casposo mine, the Company plans to use additional mining equipment in the following quarter.

A summary of key operational parameters for the March 2018 and 2017 and December 2017 reporting periods is set out in the following table for comparative purposes:

Operations	Guanaco/ Amancaya Mines			Casposo Mine (100% basis)			Net to Austral Gold*		
	Mar Quarter 2018	Dec Quarter 2017	Mar Quarter 2017	Mar Quarter 2018	Dec Quarter 2017	Mar Quarter 2017	Mar Quarter 2018	Dec Quarter 2017	Mar Quarter 2017
Processed (t)	60,573	101,908	145,456	51,107	59,942	48,602	96,348	143,867	170,243
Gold produced (oz)	11,606	11,370	10,299	2,652	5,544	3,487	13,462	15,251	12,308
Silver produced (oz)	99,865	73,440	12,711	386,726	517,125	288,327	370,573	435,428	180,390
Gold-Equivalent (oz) ***	12,852	12,329	10,482	7,515	12,292	7,652	18,113	20,933	14,914
C1 Cash Cost (US$/AuEq oz) **	990	1,160	924	1,427	918	1,058	1,151	1,039	990
All-in Sustaining Cost (US$/Au oz) #	1,120	1,384	1,066	1,903	1,145	1,353	1,409	1,264	1,187
Realised gold price (US$/Au oz)	1,322	1,277	1,254	1,329	1,282	1,214	1,324	1,280	1,329
Realised silver price (US$/Ag oz)	17	17	18	17	17	17	17	17	17

* Austral Gold owned 70% of Casposo since March 2017; 51% since March 2016
** The cash cost (C1) includes: Mine, Plant, On-Site G&A, Smelting, Refining, and Royalties (excludes Corporate G&A)
# The All-in Sustaining Cost (AISC) includes: C1, Sustaining Capex, Brownfield Exploration, and Mine Closure Amortisation
*** AuEq ratio is calculated at 80:1 Ag:Au for March Quarter 2018; 77:1 Ag:Au for December Quarter 2017; 70:1 Ag:Au for March Quarter 2017

Actual Q1 2018 and Forecasted Calendar 2018 Production:

Total combined production for Q1 2018 was 20,367 gold equivalent ounces (100% basis) or 18,113 (net to Austral Gold*) with an average C1 and AISC of US$1,151/oz and US$1,409/oz per ounce of gold equivalent respectively.

The table below provides the forecast production figures for calendar year 2018 and Q1 2018 actual results for the 3-month period ended 31 March 2018. Production costs were higher than forecasted, however the Company expects to meet its forecast by year-end. We will keep shareholders informed of any changes to the production plan for calendar year 2018.

Operations	Guanaco/ Amancaya Mines		Casposo Mine (100% basis)		Net to Austral Gold*	
	Q1 2018 Actual	Calendar 2018 Forecasted	Q1 2018 Actual	Calendar 2018 Forecasted	Q1 2018 Actual	Calendar 2018 Forecasted
Gold produced (oz)	11,606	54,000	2,652	24,000	13,462	71,000
Silver produced (oz)	99,865	520,000	386,726	1,400,000	370,573	1,520,000
Gold-Equivalent (oz) ***	12,852	62,000	7,515	43,000	14,914	92,000
C1 Cash Cost (US$/AuEq oz) **	990	600-700	1,427	800-900	1,151	700-800
All-in Sustaining Cost (US$/Au oz) #	1,120	850-950	1,903	1,050-1,150	1,409	900-1,050
Sustaining Capital ($000's)	1,462	13,500	2,657	13,500	4,119	26,500
Realised gold price (US$/Au oz)	1,322	1,250	1,329	1,250	1,324	1,250
Realised silver price (US$/Ag oz)	17	17	17	17	17	17

* Austral Gold owned 70% of Casposo since March 2017; 51% since March 2016
** The cash cost (C1) includes: Mine, Plant, On-Site G&A, Smelting, Refining, and Royalties (excludes Corporate G&A)
# The All-in Sustaining Cost (AISC) includes: C1, Sustaining Capex, Brownfield Exploration, and Mine Closure Amortisation
*** AuEq ratio is calculated at 80:1 Ag:Au for March Quarter 2018; 77:1 Ag:Au for December Quarter 2017; 70:1 Ag:Au for March Quarter 2017

Exploration

- Exploration in Chile is focused on drilling the extensions of the Dumbo open pit mineralised structures at the Guanaco mine, and the upper parts of the Amancaya mine to support those portions of the model evaluated mainly with Reverse Circulation drill holes. A complementary DDH drill program of twelve holes was completed on the Nueva vein, approximately 5km north of the Amancaya open pit operation, with four areas of gold mineralisation encountered, confirming a structure 2.8km in strike length.
- Exploration in Argentina is focused on testing the extensions of the Inca and Aztec veins at the Casposo mine, with underground drilling (nine holes), and the extension of the Mercado vein with two drill holes. Drilling operations moved to the Julieta brownfield target to complete the program before winter. Three holes were completed in Q1 2018.

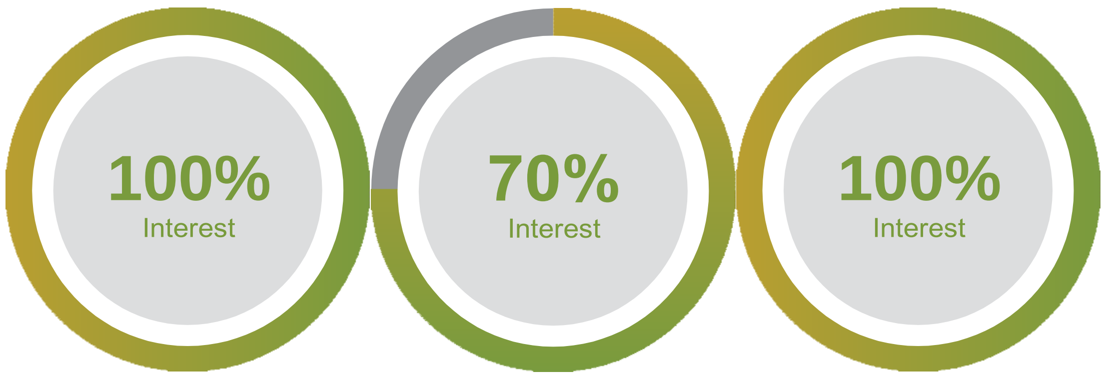
Financial

- Cash on hand at 31 March 2018 was US$3.3m.
- Total consolidated debt at 31 March 2018 was US$~25m (of which ~US$16m is short-term debt by way of financial leases, revolving export facilities and a credit facility). Net debt repayments during the quarter totalled US$0.2m.

Guanaco & Amancaya mines
Antofagasta, Chile

Casposo mine
San Juan, Argentina

Pingüino project
Santa Cruz, Argentina



Austral Gold Limited ('the Company' or 'Austral') and its subsidiaries ('the Group') is a growing precious metals mining and exploration company building a portfolio of assets in South America.

The Group produces gold and silver from the Guanaco and Amancaya Mines in Chile (100% interest) and the Casposo Mine in San Juan, Argentina (70% interest). The Group also holds an attractive portfolio of exploration projects including the Pingüino project in Santa Cruz, Argentina (100% interest) and the recently acquired San Guillermo and Reprado projects near Amancaya (100% interest). With an experienced and highly regarded major shareholder, Austral Gold is strengthening its asset base by investing in more precious metals projects in Chile and Argentina with near-term development potential.

CHILE

Guanaco and Amancaya Mines

Background

The Guanaco and Amancaya mines remain the Company's flagship mine complex. Guanaco is located approximately 220km south-east of Antofagasta in Northern Chile at an elevation of 2,700m and 45km from the Pan American Highway. Guanaco is embedded in the Paleocene/Eocene belt, a geological feature which runs north/south through the centre of the Antofagasta region, Chile.

Gold mineralisation at Guanaco is controlled by pervasively silicified, sub-vertical east/northeast-west/southwest trending zones with related hydrothermal breccias. Silicification grades outward into advanced argillic alteration and further into zones with argillic and propylitic alteration. The alteration pattern and the mineralogical composition of the Guanaco mineralisation have led to the classification as a high-sulphidation epithermal deposit.

In July 2014, the Company acquired the Amancaya Project ('Amancaya') from Yamana Gold Inc which is located approximately 60km south-west of the Guanaco mine. Amancaya is a low sulphidation epithermal gold-silver deposit consisting of eight mining exploration concessions covering 1,755 hectares (and a further 1,390 hectares of second layer mining claims).

At Amancaya, open-pit mining operations began during the first half of 2017. The Amancaya ore is being trucked to the new plant at Guanaco for processing. The development of the decline to access underground reserves commenced in late 2017.

San Guillermo and Reprado Properties

On 14 November 2017, Austral Gold completed its purchase of a 100% interest in the San Guillermo and Reprado gold-silver projects, located in the emerging Amancaya precious metals district of northern Chile, from Revelo Resources Corp. (TSX- V:RVL) for consideration of ten million Austral Gold ordinary shares. Revelo has retained Net Smelter Return (NSR) Royalties on future metals production of 1% and 0.5% at Reprado and San Guillermo, respectively.

The San Guillermo property consists of concessions totalling 12,175 hectares that surround the company's high-grade gold and silver Amancaya operation, which Austral began mining via open pit operations in 2017. The Reprado Project consists of concessions totalling 3,960 hectares situated approximately 20km north of the Company's Amancaya operation. Historical drilling undertaken by Teck Resources Ltd intersected gold in low sulphidation quartz veins trending essentially east-west.

New plant and technical report on combined resources

Construction of a new agitation leaching plant at Guanaco mine site was completed in August 2017 with commissioning phase completed by November 2017. The Company released the results of an independent resource and reserve estimate in accordance with the CIM Definitions 2014 in National Instrument ("NI") 43-101 and Joint Ore Reserves Committee Code, 2012 (JORC 2012) on 8 June 2017 (see company profile on www.sedar.com and www.asx.com.au release). Highlights from the estimate confirms the high-grade nature of the Amancaya project are as follows:

Amancaya:

A total Indicated resource of 804,690 tonnes at 9.64 g/t gold and 80.7 g/t silver for 277,352 Gold Equivalent ("AuEq") ounces, including a maiden probable reserve of 948,053 tonnes grading 6.77 g/t gold and 63.2 g/t silver for 232,074 AuEq ounces which includes a maiden open pit probable reserve of 254,596 tonnes grading 7.56 g/t gold and 119.5 g/t silver for 74,993 AuEq ounces; and Total Inferred resource of 959,554 tonnes at 6.79 g/t gold and 36.1 g/t Ag for 220,000 AuEq ounces.

Guanaco:

A Measured and Indicated resource of 2,193,000 tonnes grading 2.9 g/t gold and 13.0 g/t silver for 217,000 AuEq ounces, including; Total reserves of 489,635 tonnes grading 2.99 g/t gold and 3.6 g/t silver for 47,907 AuEq ounces, including Proven reserves of 189,613 tonnes grading 3.41 g/t gold and 4.1 g/t silver for 21,106 AuEq ounces and Probable reserves of 300,022 tonnes grading 2.73 g/t gold and 3.4 g/t silver for 26,801 AuEq ounces. Inferred resource: 1,200,000 tonnes grading 2.6 g/t gold and 12.9 g/t silver for 110,000 AuEq ounces.

Production

During the 3-month period ended March 2018, total production at Guanaco/Amancaya was 11,606 Au oz and 99,865 Ag oz (or 12,852 AuEq oz) compared to 10,482 AuEq oz during same period of the previous year. The increase in production occurred due to the construction of the new agitation leaching plant at Guanaco during the latter part of 2017.

The operating cash cost (C1) at Guanaco/Amancaya for the 3-month period ended 31 March 2018 and 2017 was US$990/AuEq oz and the all-in sustaining cost (AISC) was US$1,120/AuEq oz compared to US$924/AuEq oz and US$1,066/AuEq during the same period of the prior year. C1 and AISC are forecasted to decrease over the balance of 2018 as we expect to increase throughput at the new agitation leaching. C1 and AISC are forecasted for calendar year 2018 to be US$600-700/oz and US$850-950/oz respectively.

Mining

During the March 2018 quarter, mining continued at the Guanaco underground operations with a total of 23,785 tonnes mined while 17,610 tonnes were mined at the Amancaya open pit and 9,564 from the Amancaya underground operations.

The technical team continues to evaluate opportunities to extend the life of mine of the Guanaco deposit since the current reserves are expected to be depleted during 2018.

Operations	Guanaco/Amancaya		
	March Quarter 2018	December Quarter 2017	March Quarter 2017
Processed (t)	60,573	101,908	145,456
Average Plant Grade (g/t Au)	3.9	3.6	3.5
Average Plant Grade (g/t Ag)	73.5	43.4	7.6
Gold produced (oz)	11,606	11,370	10,299
Silver produced (oz)	99,865	73,440	12,711
Gold-Equivalent (oz)	12,852	12,329	10,482
C1 Cash Cost (US$/AuEq oz)	990	1,160	924
All-in Sustaining Cost (US$/Au oz)	1,120	1,384	1,066
Realised gold price (US$/Au oz)	1,322	1,277	1,254
Realised silver price (US$/Ag oz)	16.5	17	18

During the March 2018 quarter, underground operations started at Amancaya after finalising the construction of the portal and decline in previous quarter.

Safety

During the quarter there was one lost-time accidents (LTA) and two nil-lost-time accident (NLTA) were reported involving Guanaco employees and third-party contractors. Safety and environmental protection are core values of the Company. The implementation of best practice safety standards along with a sound risk management program are key priorities for Austral Gold.

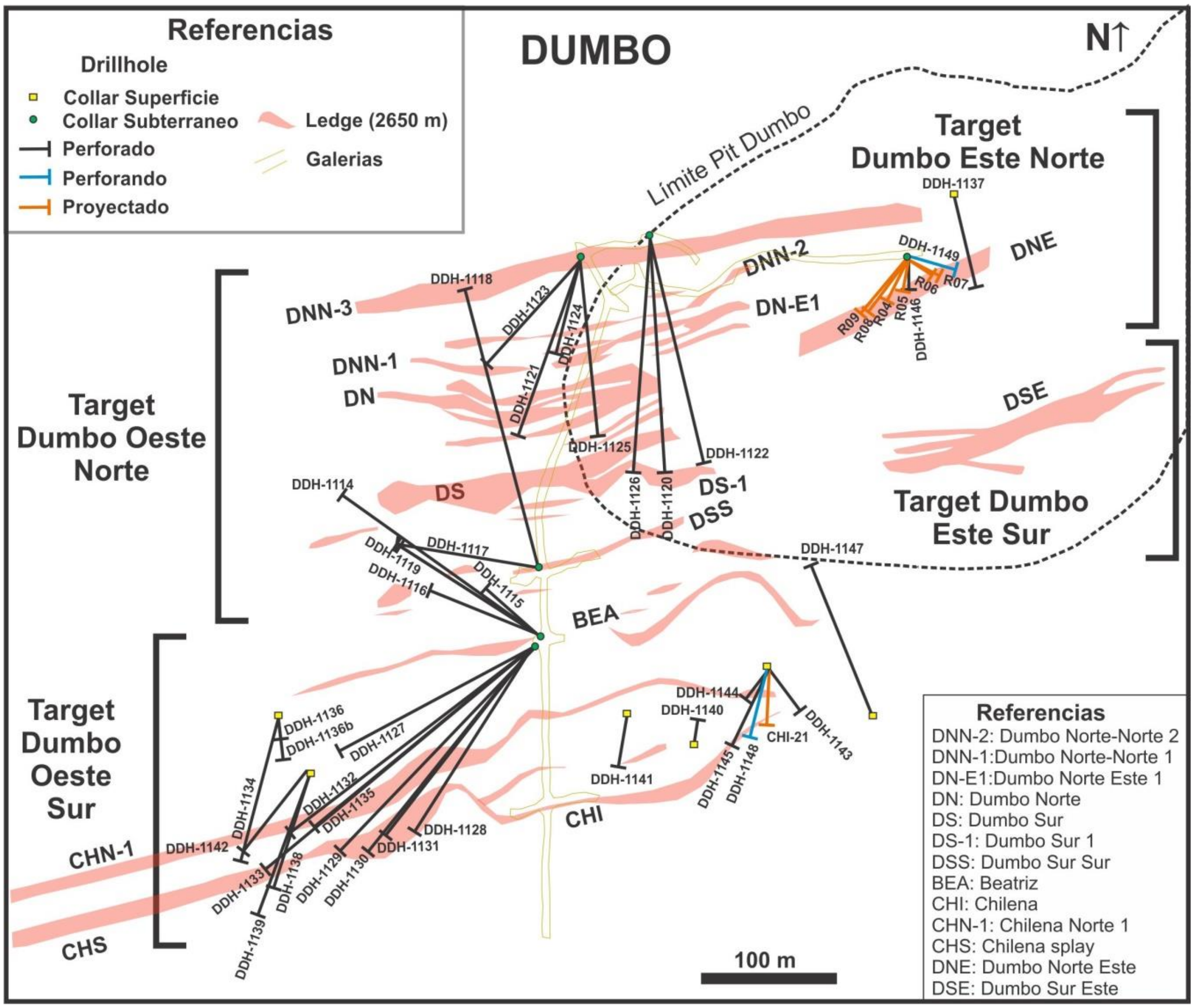
Guanaco Mine Exploration

Drilling to test extensions of known mineralised structures at Dumbo open pit continued during Q1 2018. The target was divided in four, the west northern part (Dumbo Oeste Norte, DWN), the west southern part (Dumbo Oeste Sur, DWS), the east northern part (Dumbo Este Norte, DEN), and the east southern part (Dumbo Este Sur, DES).

A total of 3,224.15m were completed in the program testing DWS (Beatriz and the Chilena structures), and DEN (Dumbo Norte structures) targets.

Exploration drilling on the extensions of Dumbo mineralised structures have identified the continuity of many high-grade gold structures at DWS (Chilena), and DEN.

In addition, a new structure was added to the DWN group of mineralization, the Dumbo Norte Norte 3 (DDN-3).



Best intercepts* from results to date include:

Chilena Norte 1 (CHN-1):

- 3.70m @ 1.18 g/t Au; 1.47% Cu (DDH-1131)
- 1.99m @ 2.25 g/t Au 0.15% Cu (DDH-1133)
- 0.81m @ 2.73 g/t Au 0.22% Cu (DDH-1135)

Chilena (CHI):

- 3.66m @ 2.69 g/t Au; 0.01% Cu (DDH-1131)
- 1.41m @ 2.40 g/t Au; 0.01% Cu (DDH-1140)
- 1.22m @ 1.84 g/t Au; 0.01% Cu (DDH-1143)
- 3.12m @ 15.33 g/t Au; 0.01% Cu (DDH-1145)

Chilena Sur 1 (CHI-S1):

- 0.88m @ 5.53 g/t Au; 0.02% Cu (DDH-1131)
- 1.84m @ 2.47 g/t Au; 0.01% Cu (DDH-1131)
- 0.99m @ 3.72 g/t Au; 0.45% Cu (DDH-1133)

Beatriz (BEA):

- 1.34m @ 2.59 g/t Au; 0.00% Cu (DDH-1136)

Dumbo Este Norte (DEN):

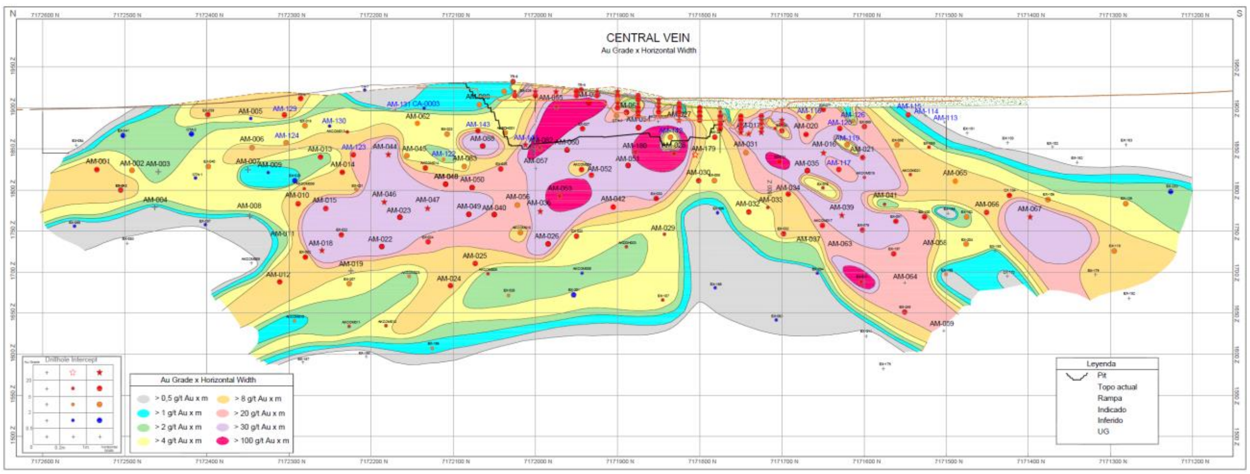
- 2.34m @ 2.12 g/t Au; 0.16% Cu (DDH-1137)
- 3.18m @ 3.62 g/t Au; 0.05% Cu (DDH-1146)
- 1.80m @ 1.21 g/t Au; 0.25% Cu (DDH-1146)

* Interval length is representative of true width as most holes are sub-horizontal and perpendicular to structure.

Amancaya Mine Exploration:

Two DDH holes totaling 168.9m were completed in the quarter to improve the block model and confirm high-grade areas in the near surface area of the existing mineral resource. Results were:

- 0.76m @ 10.1 g/t Au & 1238 g/t Ag (AM-179)
- 0.32m @ 19.9 g/t Au & 47 g/t Ag (AM-179)
- 0.32m @ 31.5 g/t Au & 132 g/t Ag (AM-179)
- 3.10m @ 34.0 g/t Au & 509 g/t Ag (AM-180)



Amancaya Brownfield Exploration: Nueva Vein

During January a 595.95m DDH drill program was completed at Nueva vein. This program was a compliment of the 1,367m RC drilling program completed in December 2017. Assays were received during the period, and the best intercepts were:

- 0.44m @ 2.45 g/t Au (AM-167)
- 2.67m @ 1.29 g/t Au (AM-168)
- 0.32m @ 5.37 g/t Au & 55 g/t Ag (AM-172)
- 0.35m @ 4.10 g/t Au (AM-176)
- 0.40m @ 2.30 g/t Au & 26 g/t Ag (AM-178)

Guanaco and Other Mining Properties in Chile: Tenements Status

A complete list of the mining tenements in Chile in which the Company has an interest is presented in **Appendices A and B,** attached to this report. There have been some minor changes to the Company's interests in these mining tenements during the quarter. All mining properties are fully owned by the Company through its subsidiaries.

ARGENTINA

Casposo Mine

The Casposo mine is located in the department of Calingasta, San Juan Province, Argentina, approximately 150km from the city of San Juan, and covers an area of 100.21km². Casposo is a low sulfidation epithermal deposit of gold and silver located in the eastern border of the Cordillera Frontal geological province.

The Cordillera Frontal represents the eastern portion of the Cordillera Principal that runs along the Chile-Argentine border for approximately 1,500km. The Casposo gold– silver mineralisation is Permian in age, and occurs in the extensive Permo-Triassic volcanic rocks of the Choiyoi Group, at both rhyolite, and underlying andesitic rocks, where it is associated with NW-SE, E-W and N-S striking banded quartz, chalcedony and calcite veins, typical of low sulfidation epithermal environments. Post-mineralisation dykes of rhyolitic, mafic, and trachytic composition often cut the vein systems. These dykes, sometimes reaching up to 30m thickness, are usually steeply dipping and north–south oriented. Mineralisation at Casposo occurs along a 10km long northwest to southeast trending regional structural corridor, with the main Kamila Vein system forming a 500m long sigmoidal set near the centre. The Mercado Vein system is the northwest continuation of Kamila and is separated by an east–west fault from the Kamila deposit.

Austral Gold has undertaken a complete revision of historical work (geology, geochemistry, geophysics and drillings), and finished a regional mapping at a 1:10,000 scale, defining significant potential for discovering additional mineralisation in Casposo, and ranking a series of mine and brownfield exploration targets.

Underground mine

The Casposo Mine consists of a number of narrow steeply dipping ore bodies known as Aztec, B-Vein, B-Vein1, Inca0, Inca1, Inca2A, Inca2B, and Mercado. The main production from the underground mine to date has been from Inca1, Aztec, and Inca2A.

The mining method used at the Casposo Mine is Longitudinal Longhole Retreat. Mine production is made up of a combination of ore development through sill drifts and stope production.

The processing and recovery method is well known and widespread throughout the gold and silver mining industry, agitation leaching in tanks followed by Merrill Crowe. Gold recovery from the plant is ~90% and 88% for gold and silver, respectively.

The table below summarises the March 2018 quarter results for Casposo as well as those from the December 2017 and the March 2017 quarters. Actual costs are significantly higher than forecasted, reflecting the reduced production and the high fixed component in Casposo's cost structure. We expect production to increase throughout the year and that forecasted C1 and AISC in 2018 of US$800-900/oz and US$1,050-1,150/oz respectively to be achieved by year end.

Operations	Casposo Mine		
	March Quarter 2018	December Quarter 2017	March Quarter 2017
Processed (t)	50,107	59,942	48,602
Average Plant Grade (g/t Au)	1.7	2.9	2.5
Average Plant Grade (g/t Ag)	244.2	332.0	217.75
Gold produced (oz)	2,652	5,544	3,487
*Share of Gold produced **	1,856	*3,381*	*2,008*
Silver produced (oz)	386,726	517,125	288,327
*Share of Silver produced**	270,708	*361,988*	167,777
C1 Cash Cost (US$/AuEq oz)	1,427	918	1,058
All-in Sustaining Cost (US$/Au oz)	1,903	1,145	1,353
Realised gold price (US$/Au oz)	1,329	1,282	1,214
Realised silver price (US$/Ag oz)	17	17	17

* Austral Gold owned 70% of Casposo since March 2017; 51% since March 2016
** The cash cost (C1) includes: Mine, Plant, On-Site G&A, Smelting, Refining, and Royalties (excludes Corporate G&A)
# The All-in Sustaining Cost (AISC) includes: C1, Sustaining Capex, Brownfield Exploration, and Mine Closure Amortisation
*** AuEq ratio is calculated at 80:1 Ag:Au for March Quarter 2018; 77:1 Ag:Au for December Quarter 2017; 70:1 Ag:Au for March Quarter 2017

Production and Safety

From a safety perspective, there was one lost-time accidents (LTA) and one nil-lost-time accidents (NLTA) involving employees of Casposo and contractors companies during the quarter. Safety and environmental protection are core values of the Company. The implementation of best practice safety standards along with a sound risk management program are key priorities for Austral Gold.

Casposo Mine Exploration:

Underground drilling continued during Q1-2018 at Kamila area, with a total of 9 DDH holes (742.1m) drilled on the Inca 0 and Aztec veins. This drilling program is seeking to extend the mineralisation at depth at the Inca vein, following new structural interpretations.

The first 2 drill holes (173.5m) were drilled at Mercado target. The program was interrupted in order to move the drill rig to Julieta target (Brownfield) to drill before winter.

Highlights of the mine drilling program are:

Hole ID	From	Interval	Au (g/t)	Ag (g/t)
IN-17-91	44.7	0.80	6.54	935.6
IN-18-96	44.4	2.40	0.43	285.0
IN-18-97	61.0	5.95	2.09	742.1

Table1 Widths are downhole interval. True width is interpreted as approximately 80% of downhole interval.

Casposo Brownfield Exploration:

Julieta drilling program (13 holes and 1525m) started in March and will continue during Q2 2018. Three holes, totaling 317.7m were drilled at the Julieta target, with the following positive results:

- 4.10m @ 1.95 g/t Au, 14.0 g/t Ag (JU-18-66)
- 2.35m @ 6.35 g/t Au, 34.0 g/t Ag (JU-18-67)
- 4.03m @ 7.41 g/t Au, 44.0 g/t Ag (JU-18-68)

Casposo Mine Properties – Tenements Status

A complete list of the mining tenements in which the Company has an interest is in **Appendix C,** attached to this report. There have been no changes to the Company's interests in these mining tenements during the quarter. All mining properties are 70% owned by the Company through its subsidiaries.

Pingüino Project

A new review of the geological and resource model was begun during Q1 2018, and the results are expected by mid of the year.

Pingüino Project (and surrounds in Santa Cruz) Properties – Tenements Status

A complete list of the mining tenements in which the Company has an interest is in **Appendix D,** attached to this report. There have been no changes to the interests in these mining tenements during the quarter. All mining properties are 100% owned by the Company through its subsidiaries.

Rio Negro Properties– Tenements Status

A complete list of the mining tenements in which the Company has an interest is in **Appendix E,** attached to this report. There have been no changes to the Company's interests in these mining tenements during the quarter. All mining properties are fully owned by the Company through its subsidiaries.

CORPORATE SUMMARY & FINANCIAL PERFORMANCE

Austral Gold had a cash balance of US$3.3m as of 31 March 2018. Main highlights during the quarter were as follows:

- Cash proceeds from the sale of gold and silver during the quarter were US$30.2m of which the Guanaco mine contributed US$17.4m and the Casposo mine contributed US$12.2m.
- VAT credits of 0.64m were recovered during the quarter.
- Austral Gold holds 344,463 warrants in Fortuna Silver Mines Inc. (“Fortuna Silver”) related to its 2013 purchase of an equity stake in Goldrock Mines Corp (TSX-V: GRM; de-listed). The warrants were converted to Fortuna Silver warrants when that company acquired Goldrock in August 2016 (converted at the acquisition ratio of 0.133133). These warrants are exercisable at CAD$6 per warrant and expire October 2018.
- Austral Gold holds an option to acquire the remaining 30% of Casposo which it does not own as follows: 10% for US$1.5m by December 2018; 10% for US$2.5m by December 2019; and 10% for US$3.0m by December 2020. The exercise price of each option is subject to adjustment if the price of silver is at US$16/oz Ag or greater.

By order of the Board.

Andrew Bursill
Company Secretary

Appendices: List of Tenements in which the Company currently has an interest

Appendix A: Guanaco, Amancaya and Reprado (Chile) Tenements

Property Name	Claim Type	Size (hectares)
Mining Concessions under exploration	Constituted Mining Claims	42,814
VINO (3, 4, 6, 7, 9)	Constituted Mining Claims	1,800
ARGOMEDO (1 to 6)	Mining claims in process	1,800
EMILIO (1 to 10)	Mining claims in process	100
Loreto I, Loreto II, Loreto III and Loreto IV	Mining claims in process	1,000
Barbara and Flora concessions	Constituted Mining Claims	3,200
Reprado	Constituted Mining Claims	500
Reprado	Mining claims in process	660
Reprado	Mining exploration claims in process	2,800
Total		54,674

Appendix B: San Guillermo (Chile) Tenements

Property Name	Claim Type	Size (hectares)
Mining Concessions under exploration	Constituted Mining Claims	8,375
Cepillo Rojo 7D	Mining claims in process	200
Cepillo Rojo 8D	Mining claims in process	100
Cepillo Rojo 11C	Mining claims in process	200
Cepillo Rojo A	Mining claims in process	100
Cepillo Rojo 1D	Mining claims in process	300
Cepillo Rojo 2D	Mining claims in process	300
Cepillo Rojo 3D	Mining claims in process	300
Cepillo Rojo 4D	Mining claims in process	300
Cepillo Rojo 5D	Mining claims in process	300
Cepillo Rojo 6D	Mining claims in process	300
Cepillo Rojo 9D	Mining claims in process	200
Cepillo Rojo 10D	Mining claims in process	200
Cepillo Rojo 12D	Mining claims in process	200
Cabello 11D	Mining claims in process	300
Cabello 12D	Mining claims in process	300
Cabello 13D	Mining claims in process	200
Total		**12,175**

Appendix C: Casposo Mine (Argentina) Tenements

Property Name	Claim Type	Size (Hectares)
Kamila	Constituted Mining claim	3,497
Julieta	Constituted Mining claim	2,625
Alicia -I	Constituted Mining claim	16
Various	Mining claims in process	16,420
Various	Cateos	17,492
Total		**40,050**

Appendix D: Santa Cruz (Argentina) Tenements

Property Name	Claim Type	Size (hectares)
Tranquilo 1	Mine	3,484
Tranquilo 2	Mine	3,182
Cañadon	Mine	1,827
Pingüino	Mine	1,493
Plata Leon	Manifestation of discovery	3,500
Mina Alto Cóndor	Mine	3,016
Cóndor	Mine	1,500
Diamante 1	Mine	2,906
Diamante 2	Mine	2,862
Contreras Oeste	Mine	2,938
Contreras Este	Mine	1,622
Nuevo Oro 2	Mine	840
8 de Julio IX	Cateo	7,002
8 de Julio X	Cateo	3,497
Cerro Contreras Norte	Cateo	10,000
Juangui II	Manifestation of discovery	4,200
Juangui VII-B	Manifestation of discovery	4,000
Juangui VI-D	Manifestation of discovery	4,000
Juangui I	Manifestation of discovery	3,970
Juangui IV	Manifestation of discovery	3,226
Juangui I-B	Manifestation of discovery	3,936
Juangui II-D	Manifestation of discovery	3,740
Juangui VIII-A	Manifestation of discovery	840
Juangui VI-C	Manifestation of discovery	3,148
Juangui III	Manifestation of discovery	4,081
Juangui IV-F	Manifestation of discovery	2,286
Juangui I-A	Manifestation of discovery	2,008
Juangui V	Manifestation of discovery	1,920
Juangui II-A	Manifestation of discovery	840
Juangui VI-A	Manifestation of discovery	840
Juangui VII-A	Manifestation of discovery	840

Juangui VI	Manifestation of discovery	840
Juangui IV-A	Manifestation of discovery	840
Juangui IV-B	Manifestation of discovery	840
Juangui IV-C	Manifestation of discovery	840
Juangui IV-D	Manifestation of discovery	840
Juangui IV- E 1	Manifestation of discovery	840
Juangui IV- E 2	Manifestation of discovery	840
Juangui IV- E 3	Manifestation of discovery	840
Juangui IV- E 4	Manifestation of discovery	840
Juangui IV- E 5	Manifestation of discovery	840
Juangui V-A	Manifestation of discovery	840
Juangui V-B	Manifestation of discovery	840
Juangui II-C	Manifestation of discovery	638
Juangui II-B	Manifestation of discovery	615
Barroso Chico I	Manifestation of discovery	840
Barroso Chico II	Manifestation of discovery	840
Total		**106,557**

Appendix E: Rio Negro (Argentina) Tenements

Property Name	Claim Type	Size (hectares)
Menucos 6	Manifestation of discovery	2,999
Menucos 7	Cateo	2,880
Menucos 8	Cateo	2,959
Menucos 9	Cateo	2,999
Menucos 10	Cateo	2,730
Menucos 11	Cateo	1,840
Menucos 12	Cateo	2,920
Menucos 13	Cateo	2,965
Total		**22,292**

Appendix F

JORC Code, 2012 Edition – Table 1 Report

Competent Person Statement

The information in this report that relates to Exploration Results listed in the table below is based on work supervised, or compiled on behalf of, Michael Brown, an Independent Consultant. Technical Information in this presentation has been reviewed by Michael Brown, who is a member of the Australian Institute of GeoScientists (MAIG) and qualifies as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Michael Brown consents to the inclusion in this presentation of the technical information that he has reviewed and approved.

Michael Brown has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012.

Guanaco Mine Exploration

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual	• Industry standard practices were used for sampling of diamond drilling. • The diamond drilling core was recovered from drill tubes and stored in core boxes, where it was geologically logged then half core samples were taken using a mechanical core splitter, bagged and sent to the laboratory. • Samples were assayed for gold and base metals at internal laboratory.

Criteria	JORC Code Explanation	Commentary
	commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Drilling techniques used is underground core drilling rig producing core at HQ size.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Sample recovery is generally >95%. • The mineralised zone appeared to be quite competent and core recoveries were excellent. • All core was carefully placed in HQ sized core trays and transported a short distance to a core processing area where core recovery, depth markup and photography could be completed.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Diamond drill core was geologically logged using predefined logging codes for lithological, mineralogical, and physical characteristics. • Logging, structural and geotechnical measurements and the estimation of recoveries, was quantitative in nature. • Drill core was photographed and digitally stored for visual reference. • All holes are logged from start to finish.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the	• For the diamond drill holes, sample intervals were marked and the core was split with a mechanical splitter. One half of the core was placed in plastic bags and tagged with a unique sample number. The other half of the core was returned to the core box and securely stored.

Criteria	JORC Code Explanation	Commentary
	sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• Drill samples were collected and bagged and sent to the Internal laboratory in Guanaco. There they were crushed and prepared. Gold assays were done using FA-AAS procedure on a 30g sample. Base metal assaying was done by Aqua regia 2gr 100 with final determination by atomic adsorption AAS. • Internal laboratory checks are made regarding sample preparation and assaying procedures.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Not applicable. • Not applicable • Logged on paper and entered manually into electronic spreadsheets. Data then entered into CSV Database and validated before being processed by industry standard software packages such as Vulcan. • Not applicable.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drilling collar survey used Trimble 3601DR total station, +- 1mm precision. • The system used was PSAD56. • Downhole surveys are completed by downhole methods (Reflex multishot) at regular intervals (30m). • Sample locations recorded using underground surveying.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade	• Drillhole spacing is approximately 25m. • Data spacing and distribution are sufficient to establish the degree of geological and grade continuity

Criteria	JORC Code Explanation	Commentary
	continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	appropriate for the Mineral Resource and Ore Reserve estimation procedures. • No sample compositing is applied during the sampling process.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The mineralised systems at Guanaco (silicic ledges) are structurally controlled by principal WSW-ENE trending structures that are being mined via current underground mining by Austral Gold, and have been historically mined in open pits. A second structural trend striking N-S is also present. As such the orientation of the ledges and structures is well known to orientate the drilling. Based on this model drill azimuths were planned to intersect the veins as close to possible to perpendicular to their strike, subject to location of underground drill cuttings.
Sample security	• The measures taken to ensure sample security.	• Samples are transported from the field to the internal laboratory via an own transport. The laboratory received sample dispatch documents for every sample batch. • Laboratory returns pulp samples and excess material
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	• The Guanaco Mine is located 220 km southeast of Antofagasta. The Guanaco Mine area consists of 208 granted exploitation concessions totalling 23,541ha. There are claims held by third parties within the Guanaco Project area that are excisions from the Minera Guanaco tenure holding, and are not included in the Project. • Minera Guanaco applied for and was granted, on 15 November 2011, surface rights for the areas required to operate the mine plant and infrastructure. Minera Guanaco holds the conveyance rights of way to allow unfettered access to the Project and transport of goods and materials to and from the mining operation. • Minera Guanaco has an estimated water consumption of 7.40 L/s and water rights for 18.79 L/s. These water rights are sufficient for the current operational requirements. • A net smelter royalty of 6% is payable to ENAMI. • All necessary statutory permits have been granted and the requirements have been met. Austral is in compliance with all environmental and work permits.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Historically the following work has been recorded on the Guanaco Project: • Gold mineralisation was discovered at Guanaco in 1878 by miners from the nearby Cachinal silver mines. There was only small-scale production until 1886. From 1887 until 1890, more than 200 underground mines were developed, and approximately 200,000 oz of gold were produced from high-grade veins. • In the early 1980s, BHC completed a reverse circulation (RC) drilling campaign. No other details about work conducted by this company

Criteria	JORC Code Explanation	Commentary
		have been recorded. • During 1987, Minera Guanaco, at that stage controlled by the Gordo brothers, became operators of the Project by undertaking an underground production at a minimum rate of 500 t/d within six months. By the end of 1990, Minera Guanaco had drilled 179 exploration holes and developed a 1,800 t/d open-pit/heap-leach operation. The Gordo brothers produced an estimated 75,000 oz gold to the end of 1991. • Amax entered into a purchase-option agreement with Minera Guanaco effective 1 April 1991, and subsequently commenced mapping, geochemical sampling, and reverse circulation drilling. A pre-feasibility study was completed the same year. In 1992, Amax Gold leased additional properties from Enami. In April 1992, Amax acquired a 90% interest in the Project for US$35m through a wholly owned subsidiary. • Open-pit mining commenced in early 1993, with gold recovered from heap leach pads and a Merrill Crowe recovery plant. From 1993 to 1996, in addition to mining operations, work completed included mineral resource and mineral reserve estimation, airborne and ground geophysical surveys, rock chip and grab sampling, geological mapping, and RC and core drilling. In 1997, the operation was placed on care and maintenance due to a combination of low gold prices and poor metallurgical recoveries due to the presence of copper. • In 1999, Kinross acquired Amax, and operations were conducted by Kinross' indirect subsidiary Kinam Guanaco. During 1999 and 2000, Kinross conducted exploration core and RC drilling, data reviews, geological mapping and chip sampling, preparation and description of petrographic samples,

Criteria	JORC Code Explanation	Commentary
		and ground geophysical surveys. • In 2002, Golden Rose, a subsidiary of AGD, entered into a purchase-option agreement with Kinross, which was executed in March 2003. From 2003 to 2012, Austral Gold (until 2007 AGD) undertook data reviews, core and RC drilling, mineral resource and mineral reserve estimation, hydrological, geotechnical and metallurgical studies, reviews of social and environmental conditions, and assessments of existing infrastructure and equipment, and commissioned a feasibility study during 2009–2010.
Geology	• Deposit type, geological setting and style of mineralisation.	• Guanaco represents a high sulphidisation epithermal system. All mines within the Guanaco gold district, including Mina Inesperada, are located within rocks which configure a Paleocene, north-south-trending graben. Alteration and mineralisation in the district are hosted by volcanic flows, tuffs and breccias, with andesitic, dacitic and rhyolitic composition, which range from Paleocene to mid-Eocene in age. The north-south-striking Soledad fault system, along the eastern side of the Palaeocene graben, divides the gold district into an eastern and a western domain. • Gold-bearing structures are all steeply inclined ledges composed of massive vuggy and cryptocrystalline quartz of replacement origin. Individual ledges are up to 5m wide, but more commonly they seem to comprise several impersistent siliceous strands separated by altered, but barren, wall rock. The ledge structures extend for at least 4km along strike, although gold concentrations are confined to relatively restricted shoots. The ledges, formerly mined underground, and afterward in the Dumbo, Defensa, and Perseverancia open pits, contain the largest mineralised shoots,

Criteria	JORC Code Explanation	Commentary
		which reportedly extended for as much as 300m vertically. However, further west the mineralised shoots defined to date appear to be more restricted, both laterally and vertically. • The gold-bearing shoots in the Guanaco ledges appear to be closely associated with ledge segments that underwent fracturing, brecciation, and introduction of late-stage quartz and barite (barium sulphate). The shoots have different sizes, but tend to be both horizontally and vertically more restricted in the northwestern part of the district, • Pervasive silicification commonly replaces all the primary rocks, whereas vuggy silica resulting from extreme acid leaching is a preferred host of the gold mineralisation. • The most important structural features related to gold mineralisation at Guanaco follow east–west and east–northeast–west–southwest trends. In the Dumbo sector, these trends underwent appreciable dextral-oblique normal displacement. Movements along other gold-bearing structures are far less constrained, but appear to have been substantially less than on the Dumbo structure.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. • If the exclusion of this information is	• All drill holes are reported in Annex 1. Holes not reported in the News Release did not have significant results.

Criteria	JORC Code Explanation	Commentary
	justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Sum product Weighted averaging was used to report gold and silver grades over sample intervals that contained more than one sample. No upper or lower cut-off grades were used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The orientation of the veins is generally east-west and the dip of the mineralisation is sub-vertical. • The majority of drilling is oriented close to perpendicular to the known strike orientation of the mineralisation. Downhole intersections are generally oblique to the dip of mineralisation due to the sub-vertical attitude of the veins. • The intersection length is measured down the hole trace and may not be the true width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Plan map is included in the report above this.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid	• All assay results that are considered anomalous are reported, and in diagrams where low grades were encountered where the structures were intersected the assays results

Criteria	JORC Code Explanation	Commentary
	misleading reporting of Exploration Results.	are reported as from the laboratory.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• No metallurgical samples or bulk density sampling has currently been undertaken with the reported drilling results. In the event that the samples are used they will be reported at such time.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• The reported results from this drilling campaign represent the 50% of the total planned drilling campaign.

ANNEX 1:

Hole Id	Easting	Northing	Elevation	Azimuth	Dip	Length (m)	From	Interval	Au (g/t)	Ag (g/t)
DDH-1127	445604.00	7223248.00	2670.00	240.0	9.0	166.0	ND			
DDH-1128	445604.21	7223247.45	2672.74	210.0	9.0	165.8	101.10	0.81	1.08	13.8
DDH-1129	445603.97	7223247.29	2673.12	217.8	17.0	217.8	199.40	0.85	2.30	7.0
DDH-1130	445604.12	7223247.45	2671.99	218.2	-4.0	195.7	154.00	0.75	1.29	9.0
							175.00	1.16	1.26	5.0
							185.90	0.70	1.29	6.0
DDH-1131	445603.97	7223247.19	2671.55	216.1	-16.0	185.2	134.45	1.81	1.45	15.0
							137.40	0.90	1.53	7.0
							148.40	0.95	1.53	17.0
							150.09	0.91	5.53	9.0
							152.00	1.90	2.47	5.0
DDH-1132	445603.08	7223247.91	2672.49	228.1	6.3	231.2	218.00	0.75	1.05	4.0
DDH-1133	445602.96	7223247.80	2671.73	227.6	-13.5	263.4	168.00	1.00	1.19	19.0
							171.00	1.00	1.96	32.0
							174.00	2.00	2.10	34.0
							175.00	1.00	2.40	20.0
							178.00	1.00	1.03	30.0
							181.00	2.00	1.48	7.0
							182.00	1.00	1.09	7.0
							184.00	1.00	3.72	20.0
							230.60	1.60	1.44	88.0
DDH-1134	445415.29	7223195.93	2844.00	195.3	-44.5	156.8	15.45	0.87	1.96	1.0
							18.00	0.90	1.34	4.0
							39.35	1.65	1.08	<1
							65.00	1.27	1.62	10.0
							132.90	0.85	1.09	6.0
							133.75	0.75	1.02	1.0
							137.67	0.73	4.22	<1
							139.65	0.50	1.57	1.0
							148.75	0.60	1.10	4.0
							151.35	1.05	6.58	2.0
							152.40	1.00	2.89	<1
DDH-1135	445602.64	7223247.48	2671.16	227.4	-23.4	227.1	76.25	0.75	1.04	30.0
							158.00	1.20	1.43	1.0
							195.55	0.85	2.73	3.0
DDH-1136	445415.29	7223195.93	2844.00	173.4	-53.3	58.4	16.70	1.35	1.44	<1
							18.05	1.05	4.07	<1
DDH-1136(B)	445415.29	7223195.93	2844.00	173.4	-53.3	150.0	60.40	1.30	1.56	8.0
							61.70	1.42	1.26	12.0
DDH-1137	445912.60	7223581.14	2686.00	168.4	-53.9	120.2	59.50	0.93	3.60	1.0
							68.12	1.08	3.16	15.0
							77.85	0.57	1.91	7.0
							81.95	0.70	2.76	8.0
							83.25	1.15	2.30	24.0
							84.40	0.60	4.47	19.0
							85.00	0.92	1.03	21.0
DDH-1138	445437.24	7223152.98	2840.00	197.7	-44.7	123.0	20.92	0.78	3.83	<1
DDH-1139	445437.24	7223152.98	2840.00	200.3	-53.0	120.0	78.50	1.20	0.71	7.0
DDH-1140	445722.40	7223174.00	2837.10	5.8	-67.1	65.0	4.70	1.55	2.89	7.0
							6.25	1.85	1.99	3.0
DDH-1141	445671.40	7223197.90	2860.60	188.4	-49.0	70.2	28.33	0.67	1.15	2.0
							44.50	1.14	1.06	10.0
							49.14	0.51	2.28	s/d

							49.65	0.75	1.10	7.0
DDH-1142	445437.24	7223158.00	2847.10	218.5	-44.9	106.0	8.50	1.50	0.65	2.0
DDH-1143	445773.19	7223223.92	2825.94	143.2	-72.5	173.0	157.45	0.85	1.25	33.0
							159.30	1.15	3.70	77.0
							160.45	0.83	2.32	71.0
DDH-1144	445773.19	7223223.92	2825.94	222.6	-73.5	133.9	15.40	1.26	0.20	11.0
DDH-1145	445773.19	7223223.92	2825.94	222.6	-56.0	248.6	181.70	1.50	3.20	13.0
							183.20	1.50	23.53	6.0
							184.70	1.80	44.47	14.0
							186.50	0.90	22.60	2.0
							187.40	0.70	2.60	12.0
							188.10	1.10	1.19	2.0
							189.20	0.60	3.49	7.0
							189.80	1.70	2.68	5.0
DDH-1146	445879.67	7223535.10	2626.47	179.2	-46.8	53.2	0.00	1.45	2.47	15.0
							1.45	1.60	3.14	8.0
							3.05	1.60	5.13	11.0
							11.45	1.25	1.54	6.0
							18.65	1.25	1.12	18.0
							34.28	1.44	3.31	16.2

Amancaya Mine and Exploration

JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of	• Industry standard practices were used for sampling of reverse circulation drilling. Samples were collected in one metre sections in large PVC bags. Sub-samples were taken for logging and for laboratory analysis. Sub sampling using a splitter produced a 2-3kg sample for laboratory analysis. Sampling was done on a one metre composite basis. • Samples were assayed for gold and base metals at Guanaco Mine internal laboratory.

Criteria	JORC Code Explanation	Commentary
	mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Drilling techniques used Reverse Circulation (RC)/5.5", face sampling hammer. Drill holes have been collared at 10m from surface with casing to maintain hole integrity.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Sample recoveries are estimated by the weight for each metre. Sample recoveries have averaged >95%. • Representative samples were sieved and stored in RC chip trays for future reference. Samples were bagged and following sampling stored.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Reverse circulation chips were geologically logged using pre-defined logging codes for lithological, mineralogical, and physical characteristics. • Logging was generally quantitative in nature with the exception of structural and geotechnical measurements and the estimation of recoveries. • All holes are logged from start to finish.
Sub-sampling techniques	• If core, whether cut or sawn and whether quarter, half or all core taken.	• Drilling included assaying of chip samples for RC holes. • For RC drilling, two chip samples

Criteria	JORC Code Explanation	Commentary
and sample preparation	• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	were collected with a cyclone. During the sampling processes, as per the QA/QC protocols.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• Drill samples were collected and bagged and sent to the Internal laboratory in Guanaco mine. There they were crushed and prepared. Gold assays were done using FA-AAS procedure on a 30g sample. Base metal assaying was done by Aqua regia 2gr 100 with final determination by atomic adsorption AAS. • Internal laboratory checks are made regarding sample preparation and assaying procedures.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Not applicable. • Not applicable • Logged on paper and entered manually into electronic spreadsheets. Data then entered into CSV Database and validated before being processed by industry standard software packages such as Vulcan. • Not applicable.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in	• Sample locations recorded using differential GPS considered to have an accuracy of +- 4m. • The system used was PSAD56.

Criteria	JORC Code Explanation	Commentary
	Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drilling collar survey used Trimble S5 electronic theodolite. No downhole survey was done because holes were shallow.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drill hole spacing is approximately 25m (northing) by 25m (easting). Drill locations were defined to determine the distribution of mineralisation near surface, following systematic discrepancies in reconciliation between block model and mining of initial benches. • Data spacing and distribution are sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedures. • No sample compositing is applied during the sampling process.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The Central vein outcrop at surface and this orientation combined with historical drilling has allowed for the geological modelling of the host quartz vein. • The Nueva vein was delineated with floats, trenches and geophysics because it is not outcropping. • Based on this model drill azimuths were planned to intersect the vein perpendicular to their strike.
Sample security	• The measures taken to ensure sample security.	• Samples are transported from the field to the internal laboratory via an own transport. The laboratory received sample dispatch documents for every sample batch. • Laboratory returns pulp samples and excess material.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, over-riding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	The properties are located approximately 220km SSE of Antofagasta, Chile, in Region III. The Amancaya project is comprised of the Amancaya property and the San Guillermo property. The Amancaya property consists of eight individual exploitation mining concessions covering a total area of 1,755 ha and is 100% owned by Minera Guanaco. The San Guillermo properties cover an area of 12,500 ha and were purchased from Revelo, along with the nearby Reprado Project, for 10,000,000 ordinary shares of Austral Gold on November 14, 2017 (refer to News Release and SEDAR filing). The previous Earn-In Option with Revelo Resources Limited was terminated. The properties are in good standing and there are no restricted or protected areas within or overlapping either of the properties. The surface rights are controlled by the federal government and access is normally granted as required. • The current Amancaya water rights amount to 1.6 L/s of underground water, located in Agua Verde sector of Taltal County. The extraction well called "Zazzali" is located at 7,189,625.540 North and 400,453.353 East. • A royalty of 2.25% of the net smelter return (NSR) on all production from the Amancaya mining concessions is payable to Meridian Gold Inc (Meridian)/Yamana • All necessary statutory permits have been granted and the requirements have been met. Austral is in compliance with all environmental and work permits.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	Historically the following work has been recorded on the Amancaya Project: • 1950s: Small scale exploration

Criteria	JORC Code Explanation	Commentary
		and mining of copper and gold in the Rosario del Llano and Juanita veins. • 1992: Exploration by Recursos Mineros Andinos consisting of soil and rock geochemistry and 20 reverse circulation drill holes. The information from this work has been lost. • 2003: Placer Dome Inc. completed 20 reverse circulation drill holes totalling 2,661m and collected 515 surface rock samples. Some anomalous results were located in the north part of the property (e.g. 2.84 g/t Au and 16.7 g/t Ag over 2m), however, structures in the south were not recognised. Trenching was also completed. • 2004 to 2008: Geophysical surveys, surface and trench sampling, geological mapping, radiometric dating, and fluid inclusion analysis were completed by Meridian/Yamana. Yamana also completed a total of 202 reverse circulation drill holes for 54,782m and 16 trenches totalling 486.1m. A total of 40 drill holes and four surface trenches are used in the subsequent resource estimate. • 2009: Resampling of trenches and some resampling of historic drill core was performed by Cenizas. Cenizas carried out a drill campaign totalling 5,054m in 23 holes to confirm the thickness of the Veta Central, the distribution of gold and silver grades within the vein and host rocks and the density of the mineralisation.

Criteria	JORC Code Explanation	Commentary
		• 2014: Austral Gold purchases the property.
Geology	• Deposit type, geological setting and style of mineralisation.	The Amancaya project represents a low sulphidation gold-silver epithermal deposit. The critical features that define the mineralisation at Amancaya include lithological and structural control. The mineralisation and alteration are focused along high-angle structures in a dacite-andesite volcanic dome. The structural system provided a pathway for rising hydrothermal fluids. The Central Vein exhibits banded textures, with bands of grey chalcedonic quartz, clear crystalline quartz, amethyst, and dark bands containing sphalerite, silver, and lead sulphosalts. Other textures include coliform texture, sinuous alternating bands of chalcedonic quartz and amethyst, and crustiform quartz. Interstices are filled with clays, limonite, manganese oxide, and carbonates (ankerite).
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• All drill holes are reported in Annex 1.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are	• Sum product Weighted averaging was used to report gold and silver grades over sample intervals that contained more than one sample. No upper or lower cut-off grades

Criteria	JORC Code Explanation	Commentary
	usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	were used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The orientation of the veins is generally north and the dip of the mineralisation is sub-vertical. • The majority of drilling is oriented close to perpendicular to the known strike orientation of the mineralisation. Downhole intersections are generally oblique to the dip of mineralisation due to the sub-vertical attitude of the veins. • The intersection length is measured down the hole trace and may not be the true width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• These are included in news releases, available on www.asx.com.au, www.sedar.com under the Company´s profile and company website, www.australgold.com
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• All assay results that are considered anomalous are reported, and in diagrams where low grades were encountered where the structures were intersected the assays results are reported as from the laboratory.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results;	• No metallurgical samples or bulk density sampling has currently been undertaken with the reported drilling results. In the event that the samples are used they will be reported at such time.

Criteria	JORC Code Explanation	Commentary
	bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• The reported results from this drilling campaign represent the 100% of the total planned drilling campaign.

ANNEX 1:

Amancaya: Mine and Brownfield Exploration

Hole Id	Easting	Northing	Elevation	Azimuth	Dip	Length (m)	From	Interval	Au (g/t)	Ag (g/t)
AM-167	418118.00	7173182.99	1879.00	270.0	-50.0	32.7	20.47	0.53	1.90	2.0
							28.00	**0.44**	**2.45**	**2.0**
AM-168	418020.00	7173221.00	1879.50	270.0	-50.0	108.0	94.50	**2.67**	**1.29**	**6.2**
AM-169	417977.00	7173224.99	1875.00	270.0	-50.0	48.0	44.25	0.96	0.29	3.0
AM-170	417972.00	7173182.99	1875.00	270.0	-50.0	49.0	40.75	0.52	0.31	9.0
AM-171	418001.00	7173581.00	1876.00	270.0	-50.0	40.0	33.92	0.74	0.27	1.0
AM-172	418019.00	7173686.99	1877.00	270.0	-50.0	45.5	36.50	**0.32**	**5.37**	**55.0**
							41.00	0.67	1.05	12.0
AM-173	418036.00	7173706.00	1876.00	270.0	-50.0	74.6	57.10	0.96	0.87	9.0
AM-174	418025.00	7174375.99	1884.00	270.0	-50.0	44.6	31.30	0.29	0.42	7.0
AM-175	418537.00	7171982.00	1927.00	270.0	-50.0	75.0	22.45	1.25	1.05	22.0
AM-176	418033.00	7173944.00	1879.50	270.0	-50.0	45.1	33.27	**0.35**	**4.10**	**11.8**
AM-177	418032.00	7174029.00	1881.00	270.0	-50.0	50.6	31.92	**0.40**	**2.30**	**26.0**
AM-178	418028.00	7174421.00	1884.00	270.0	-50.0	58.0	41.32	0.22	0.18	10.0
AM-179	7171805.20	418404.05	1889.86	79.0	-55.0	88.5	56.15	0.95	17.20	2391.0
							57.10	1.10	3.80	243.0
							62.95	0.94	19.93	47.0
							81.35	0.87	31.53	132.0
AM-180	7171878.24	418423.98	1894.63	127.0	-47.0	80.4	68.30	2.24	30.50	813.0
							70.54	0.76	85.50	254.0
							71.30	1.55	13.80	196.0

Casposo Mine and Brownfield Exploration

JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases, further explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Industry standard practices were used for sampling of diamond drilling. Core was recovered from drill tubes and stored in core boxes, where it was geologically logged then half core samples were taken using a mechanical core splitter, bagged and sent to the laboratory. • Sample intervals were determined by both lithology and a visual estimate of quartz veining and quartz stockworks/breccia. Sampling mineralised zones was generally on one metre intervals however mineralised contacts were also considered. • Standards and blanks were routinely inserted as per company QA/QC procedure. • Samples were assayed for gold and silver metals at Casposo internal laboratory.

Criteria	JORC Code Explanation	Commentary
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Underground Drilling techniques used underground core drillings (NQ)/1.77”, face sampling hammer and underground core drilling rig producing core at NQ size.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• All core was carefully placed in NQ sized core trays and transported a short distance to a core processing area where core recovery, depth markup and photography could be completed. • Core recovery is generally very good and would not impact sample integrity. Core recoveries were calculated prior to logging. • The sawing of the core and its replacement in the core boxes have been done to industry standards. • There is no significant correlation of grade bias attributed to lower sample recovery.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Diamond drill core was geologically logged using predefined logging codes for lithological, mineralogical, and physical characteristics. • Logging was generally quantitative in nature with the exception of structural and geotechnical measurements and the estimation of recoveries. • Drilling has been supervised by experienced geologists. • Drill core was photographed and digitally stored for visual reference • All holes are logged from start to finish.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the	• Drilling included assaying of half core for surface holes and whole core for underground holes: • Sample intervals were marked and the core was either split with a mechanical splitter or sawn with a diamond saw. One half of the core was placed in plastic bags and tagged with a unique sample number. The other half of the core was returned to the core box and securely stored. During this process, as per the quality assurance/quality

Criteria	JORC Code Explanation	Commentary
	sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	control (QA/QC) protocols, blanks and standards were submitted into the sample stream at regular intervals.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• The Casposo Mine laboratory was ISO 9001-2008 certified in 2015. The mine laboratory protocol also consisted of drying, crushing and pulverisation according to standardised written procedures. • The assay sample sizes are considered appropriate for the style of mineralisation.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Data generated on the Casposo Mine is currently stored on company servers within a DataSheet SQL database that contains data for drill holes, trenches, and pits, and covers all exploration targets and gold. • Drilling results reported here have not been independently verified.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• All drill hole collars were surveyed using a total station instrument (Gauss Kruger, Datum Campo Inchauspe 1969 Zona 2 grid). • Downhole surveys are completed by Refkex methods at regular intervals (10m).
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and	• The current drill and sampling data spacing is sufficient to establish geological and grade continuity to various degrees as is reflected in the applied classifications of Mineral Resource and Ore Reserves. • No sample compositing is applied during the sampling process.

Criteria	JORC Code Explanation	Commentary
	classifications applied. • Whether sample compositing has been applied.	
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drill sections are normal the strike of the mineralisation. • The dip of the mineralisation is approximately 45˚ to 70˚ to the southwest. • In general, the holes were drilled to cut the mineralisation at as near a perpendicular orientation as possible. • Overall, there is considered to be no sampling bias from the orientation of the drilling.
Sample security	• The measures taken to ensure sample security.	• Sample security relied upon the fact that the samples were always attended or stored in designated sampling areas. Sample collection, preparation, and transportation have always been undertaken by Casposo personnel using corporate vehicles. • Assay receipt was electronic and restricted to authorised personnel.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Upon receipt of results from assays they are reviewed and standards, blanks and duplicates are checked. In the event of data discrepancies with the control samples the laboratory is contacted and the preparation and assaying records are reviewed.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	• The Casposo Mine comprises three mining leases, eight Manifestaciones de Descubrimiento (Discovery Concessions), eight exploration Cateos (Exploration Concessions), and three Canteras (Quarry Permits), covering a total area of 39.35km^2. • Austral holds sufficient surface rights to safely and effectively operate the Mine. • The right to take sufficient water for mining and processing activities has been granted under Water Concession 520-0430-B-99 at Kamila and for potential future mining at Julieta under Water Concession 506-0069-T-10-Folio 108. • On production, a “Production Royalty” of US$6/oz AuEq is to be paid to the original vendors, net of any advanced royalties. • All necessary statutory permits have been granted and the requirements have been met. Casposo is in compliance with all environmental and operating permits.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Historically the following work has been recorded on the Guanaco Project: • There is no recorded exploration on the Casposo Mine area prior to 1998. From 1993 to 1999 Battle Mountain Gold (BMG) conducted regional exploration programs in the San Juan Province, driven by Landsat interpretation and selected ground follow-up. In 1998, this regional program resulted in the discovery of gold-silver mineralisation at Casposo. • From 1998 to 2000, BMG undertook a program of surface sampling, geological mapping, trenching, geophysics and diamond drilling, and rock chip channel sampling. • Exploration by Intrepid commenced in July 2002, with regional

Criteria	JORC Code Explanation	Commentary
		reconnaissance studies, detailed trench sampling of the vein systems, re-logging of core, and bulk sampling for metallurgical studies. Extensive diamond drilling was completed between 2003 and 2008. Various Mineral Resource estimates, a preliminary economic evaluation, and feasibility study were also completed between 2003 and 2008. • No commercial production occurred prior to Troy's purchase of the Mine in May 2009. Troy commenced development in August 2009 and first gold pour took place in November 2010.
Geology	• Deposit type, geological setting and style of mineralisation.	• The mineralisation identified within the Casposo Property is an example of low-sulphidation epithermal deposition of gold and silver. • The gold–silver mineralisation at Casposo is structurally controlled and occurs in crustiform-colloform quartz veins and stockworks, • Native metal alloys of gold and silver are present as minute zoned grains that vary up to 100 μm in the longest dimension. These grains are enclosed by gauge minerals, along the contact with sulphosalts and as inclusions in sulphosalts. The alloys are typically zoned with gold-rich cores and mantled by more silver-rich margins.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is	• All drill holes are reported in Annex 1. Holes not reported in the News Release did not have significant results.

Criteria	JORC Code Explanation	Commentary
	justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Sum product Weighted averaging was used to report gold and silver grades over sample intervals that contained more than one sample. No upper or lower cut-off grades were used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The orientation of the veins is generally northwest and the dip of the mineralisation is approximately 45˚ to 70˚ to the southwest. • The majority of drilling is oriented approximately perpendicular to the known orientation of the mineralisation. • The intersection length is measured down the hole trace and may not be the true width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Plan map is included in the report above this.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• All assay results that are considered anomalous are reported, and in diagrams where low grades were encountered where the structures were intersected the assays results are reported as from the laboratory.

Criteria	JORC Code Explanation	Commentary
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• No metallurgical samples or bulk density sampling has currently been undertaken with the reported drilling results. In the event that the samples are used they will be reported at such time.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• The reported results from this drilling campaign represent approximately 20% of the total planned drilling campaign.

ANNEX 1:

Casposo Mine Exploration

Hole Id	Easting	Northing	Elevation	Azimuth	Dip	Length (m)	From	Interval	Au (g/t)	Ag (g/t)
IN-18-91	2438932.56	6548420.37	2286.25	41.5	-66.5	82.5	44.70	0.80	6.54	935.6
IN-18-92	2438938.21	6548423.16	2286.24	64.7	-52.9	77.5	71.80	0.50	0.29	20.8
IN-18-93	2438936.76	6548422.39	2286.21	56.7	-89.2	79.1	55.70	4.20	0.10	15.4
IN-18-94	2438937.48	6548422.30	2286.27	79.0	-58.0	85.0	44.40	0.60	0.37	100.7
IN-18-95	2438936.04	6548423.17	2286.26	9.0	-66.0	61.0	42.55	0.71	0.13	57.2
IN-18-96	2438935.33	6548423.70	2286.40	349.0	-55.0	67.0	44.40	2.40	0.43	285.0
AZ-18-24	2439005.23	6548366.52	2278.36	235.0	-28.0	80.5	52.10	4.15	0.16	51.6
IN-18-97	2439431.76	6547991.95	2083.36	287.0	-19.0	143.4	61.00	5.95	2.09	742.1
IN-18-98	2439419.03	6548095.74	2227.30	205.0	-26.0	66.1	49.00	2.20	0.06	21.1
ME-18-01	2438742.23	6548913.00	2470.07	96.8	-37.0	83.0	41.20	7.00	0.30	13.7
ME-18-02	2438766.95	6548860.37	2489.54	61.1	-50.7	90.5	72.30	1.45	1.05	27.7

Casposo Mine Exploration

Forward Looking Statements

Statements in this quarterly activity report 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 quarterly activity report include the Company’s 2018 forecasted production and costs, that current reserves at the Guanaco deposit are expected to be depleted during 2018 and to improve production at the Casposo mine, the Company plans to use additional mining equipment in the following quarter. All of 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 discovery and production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, the Company'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 SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. The Company 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. The Company's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and the Company 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.

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AUSTRAL GOLD LIMITED

ABN	Quarter ended ("current quarter")
30 075 860 472	31 March 2018

Consolidated statement of cash flows			Current quarter US$'000	Year to date (3 months) US$'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers/tax credits		32,619	32,619
	(a)	exploration & evaluation	(82)	(82)
	(b)	development	(2,398)	(2,398)
	(c)	production	(15,998)	(15,998)
	(d)	staff costs	(12,193)	(12,193)
	(e)	royalties paid	(1,146)	(1,146)
	(f)	administration and corporate costs	(3,624)	(3,624)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		-	-
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		(251)	(251)
1.7	Research and development refunds		-	-
1.8	Other (provide details if material)		-	-
1.9	Movement attributable to foreign currency translation		(60)	(60)
1.10	**Net cash from / (used in) operating activities**		**(3,133)**	**(3,133)**

+ See chapter 19 for defined terms

1 September 2016

Consolidated statement of cash flows			Current quarter US$'000	Year to date (3 months) US$'000
2.	**Cash flows from investing activities**			
2.1	**Payments to acquire:**			
	(a)	property, plant and equipment	-	-
	(b)	tenements (see item 10)	(13)	(13)
	(c)	Investments	(66)	(66)
	(d)	other non-current assets	-	-
2.2	**Proceeds from the disposal of:**			
	(a)	property, plant and equipment	-	-
	(b)	tenements (see item 10)	-	-
	(c)	investments	-	-
	(d)	other non-current assets	-	-
2.3	Cash flows from loans to other entities		-	-
2.4	Dividends received (see note 3)		-	-
2.5	Other (provide details if material)		-	-
2.6	**Net cash from / (used in) investing activities**		**(79)**	**(79)**
3.	**Cash flows from financing activities**			
3.1	Proceeds from issues of shares		-	-
3.2	Proceeds from issue of convertible notes		-	-
3.3	Proceeds from exercise of share options		-	-
3.4	Transaction costs related to issues of shares, convertible notes or options		-	-
3.5	Proceeds from borrowings		4,500	4,500
3.6	Repayment of borrowings		(4,718)	(4,718)
3.7	Transaction costs related to loans and borrowings		-	-
3.8	Dividends paid		-	-
3.9	Other (provide details if material)		-	-
3.10	**Net cash from / (used in) financing**		**(218)**	**(218)**

+ See chapter 19 for defined terms

1 September 2016

Consolidated statement of cash flows	Current quarter US$'000	Year to date (3 months) US$'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	6,713	6,713
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(3,133)	(3,133)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(79)	(79)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(218)	(218)
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	3,283	3,283

5. Reconciliation of cash and cash equivalents At the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter US$'000**	**Previous quarter US$'000**
5.1 Bank balances	3,283	6,713
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	**3,283**	**6,713**

6. Payments to directors of the entity and their associates	**Current quarter US$'000**
6.1 Aggregate amount of payments to these parties included in item 1.2	116
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

+ See chapter 19 for defined terms

1 September 2016

7. Payments to related entities of the entity and their associates	Current quarter US$'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
	–

8. Financing facilities available Add notes as necessary for an understanding of the position	Total facility amount at quarter end US$'000	Amount drawn at quarter end US$'000
8.1 Loan facilities	14,892	14,892
8.2 Credit standby arrangements	-	-
8.3 Other please specify	10,124	10,124
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
8.1 Loan facilities mainly include a US$8m credit facility with the BAF Latam Credit Fund, an unrelated third party lender. The credit facility is secured by a guarantee from the Company and a corresponding proportion of the receipts of doré sales from the Guanaco mine in Chile. Amounts drawn against the credit facility are to be repaid within eighteen months. The remaining facilities are pre-export financing and credit lines with local banks in Chile and Argentina. 8.3 The outstanding balance of financial leases from local banks in Chile and Argentina reached ~US$10m at 31 March 2018 (secured, interest rates 3-4%).		

+ See chapter 19 for defined terms

1 September 2016

9.	Estimated cash outflows for next quarter	US$'000
9.1	Exploration and evaluation	86
9.2	Development	4,032
9.3	Production	13,713
9.4	Staff costs	10,613
9.5	Administration	3,017
9.6	Royalties	857
9.7	Income tax	48
9.8	Borrowings	1,627
9.9	**Total estimated cash operating outflows**	**33,993**

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter (Ha)	Interest at end of quarter (Ha)
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Limbo Magallenes			5,800 1,067

+ See chapter 19 for defined terms

1 September 2016

Compliance Statement

This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

This statement gives a true and fair view of the matters disclosed.

Sign here: A Bill Date: 30 April 2018

(Company secretary)

Print name: Andrew Bursill

Notes

The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.