

MEDIA RELEASE

Austral Gold Limited

13 March 2023

Austral Gold Secures US\$1M Related Party Loan

Austral Gold Limited (“**Austral**” or “**the Company**”) (ASX: AGD; TSX-V: AGLD) is pleased to announce that it has obtained a US\$1M unsecured short-term loan (8% p.a.) from two of its directors, Eduardo Elsztain and Saul Zang. The material terms of the loan are defined below.

The proceeds from the loan will be used to support the Company’s Capex on its heap reprocessing project at the Guanaco and Amancaya mine complex, which we forecast to start production in June 2023.

About the Guanaco Heap reprocessing project

On 29 March 2022, the Company announced the results of the updated Mineral Reserve and Mineral Resource Estimates prepared by SLR Consulting (Canada) Ltd. (“SLR”) in accordance with CIM Definitions 2014, National Instrument 43-101 (“NI 43-101”) and Joint Ore Reserves Committee Code, 2012 (JORC 2012) for the Company’s 100% owned Guanaco/Amancaya Operation in Chile, which consists of the Guanaco Mine (Guanaco) and Inesperada satellite deposit (Inesperada), the Amancaya Mine (Amancaya), and the Guanaco heap leach pads (Heap Reprocessing project). The results included ten years of processing existing heap leach pads at Guanaco.

Construction activities required for the heaps started in January 2023. We anticipate production from reprocessing the heaps to commence in June 2023 and forecast annual 2023 production from the project to be 11,000-11,500 GEOs. Total estimated Capex is US\$4.0M. The Company expects to fund the Capex through internal cash generation, proceeds from the sale of SCRNL Properties Ltd. (owner of the Pinguino project) to E2 Metals on 1 March 2023, and the US\$1M related party loan.

Material terms of the loan agreement

- Loan Amount: US\$1,000,000, which has been fully drawn upon by the Company;
- Loan Term: due for repayment on 1 September 2023;
- Interest Rate: 8% per annum;
- Security: the loan is unsecured; and
- Conversion: the loan does not include any right to convert the loan into Austral shares.

The loan agreement contains other terms and conditions which are standard for a facility of this

nature. The Board, with the exception of interested directors who excused themselves from the Company's decision making, considered advice from a third-party expert that the terms are as favourable as or more so than if the parties were dealing at arm's length.

About Austral Gold Limited

Austral Gold Limited is a gold and silver explorer and mining producer whose strategy is to expand the life of its cash generating assets in Chile, restart its Casposo-Manantiales mine complex in Argentina and build a portfolio of quality assets in Chile, the USA and Argentina organically through exploration and via acquisitions and strategic partnerships. Austral owns a 100% interest in the Guanaco/Amancaya mines in Chile and the Casposo-Manantiales mine complex (currently on care and maintenance) in Argentina, a non-controlling interest in the Rawhide Mine in Nevada, USA and a non-controlling interest in Ensign Gold which holds the Mercur project in Utah, USA.

In addition, Austral owns an attractive portfolio of exploration projects in the Paleocene Belt in Chile (including those acquired in the 2021 acquisition of Revelo Resources Corp), and a 51% interest in the Sierra Blanca project in Santa Cruz, Argentina. Austral Gold Limited is listed on the TSX Venture Exchange (TSX-V: AGLD) and the Australian Securities Exchange. (ASX: AGD). For more information, please consult Austral's website at www.australgold.com.

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

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

For additional information please contact:

Jose Bordogna
Chief Financial Officer
Austral Gold Limited
Jose.bordogna@australgold.com
+61 466 892 307

Ben Jarvis
Director
Austral Gold Limited
info@australgold.com
+61 413 150 448

Forward Looking Statements

Statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", "believes" and words of similar import tend to identify forward-looking statements. Forward-looking statements in this news release include production from reprocessing the heaps to commence in June 2023 and forecast annual 2023 production from the project to be 11,000-11,500 GEOs, total estimated Capex is US\$4.0M, and the Company expects to fund the Capex through internal cash generation, proceeds from the sale of SCRNL Properties Ltd. (owner of the Pinguino project) to E2 Metals on 1 March 2023, and the US\$1M related party loan.

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