

Austral Gold Limited
9 April 2020

Austral Gold Comments on Impact of Covid-19 and Reports Q1 2020 Production

- **COVID-19 response plan implemented to protect the health of our people**
- **March 2020 Q1 production of 17,159 gold equivalent ounces – up 34% from the prior year quarter**
- **Production in line with 2020 Guidance of 55,000-60,000 gold equivalent ounces**

Austral Gold Limited (“**Austral**” or the “**Company**”) (ASX: AGD; TSX-V: AGLD) is pleased to provide an update on the precautionary measures implemented in response to the COVID-19 virus and production for the March 2020 quarter.

COVID-19 Precautionary Measures

During Q1 2020, the Company’s flagship mine complex in Chile (Guanaco/Amancaya) operated normally, except for several precautionary measures to address the risk of the COVID-19 virus as recommended by the Health Authorities and Governments around the world. In Argentina, exploration activities at the Casposo and Pingüino projects have been temporarily halted since the second half of March due to the mandatory isolation measures in effect in Argentina until 12 April 2020.

March (Q1 2020) Quarter Production

Q1 2020 production reached 17,159 gold equivalent ounces, which is in line with the annual production guidance of 55,000-60,000 gold equivalent. This represents a 34% increase from production of 12,851 gold equivalent ounces in Q1 2019 and a slight decrease of 4% from production of 17,953 gold equivalent ounces in Q4 2019, which generated record operating cash flow of US\$13.9 million.

Further production and financial results including an update on our exploration and M&A activities will be announced in the Q1 2020 Quarterly Activity Report due by the end of this month.

The Company is currently unable to determine the potential impact of the measures taken to de-risk the impact of COVID-19 on the annual 2020 production guidance.

Austral Gold’s Chief Executive Officer, Stabro Kasaneva said “We are closely monitoring the developments around COVID-19 and we have implemented several precautionary

measures to protect the health of all our people which is our top priority. The Company is also working on contingency plans in the event we have supply-chain disruptions to gold or silver deliveries or the receipt of essential equipment and materials to operate. We are being conservative with the use of our cash in the event that our operations are temporarily curtailed. We have minimised capital expenditures, and exploration activity has been streamlined to brownfield areas within the Guanaco/Amancaya district. Starting April 2020, the Guanaco/Amancaya mines have been operating at 75% capacity due to changes in work shifts to minimise COVID-19 risks at the mine site.”

About Austral Gold

Austral Gold Limited is a growing precious metals mining, development and exploration company building a portfolio of quality assets in Chile and in Argentina. Austral's flagship Guanaco/Amancaya project in Chile is a gold and silver producing mine with further exploration upside. Austral also holds the Casposo Mine (San Juan, Argentina), a ~23.62% interest in the Rawhide Mine (Nevada, USA) and an attractive portfolio of exploration projects including the Pingüino project in Santa Cruz, Argentina (100% interest) and the San Guillermo and Reprado projects near Amancaya, Chile (100% interest). With an experienced local technical team and highly regarded major shareholder, Austral's goal is to continue to strengthen its asset base through acquisition and discovery. Austral is listed on the Australian Securities Exchange (ASX: AGD) and the TSX Venture Exchange (TSXV: AGLD). For more information, please consult Austral's website www.australgold.com.

Neither the 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 Further Information please contact:

Jose Bordogna
Chief Financial Officer
Austral Gold Limited
jose.bordogna@australgold.com
+54 (11) 4323-7558

David Hwang
Company Secretary
Austral Gold Limited
info@australgold.com
+61 (2) 9698-5414

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 statements about the disclosure of further production and financial results including an update on our exploration and M&A activities in our Q1 2020 Quarterly Activity Report due by the end of the month. 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, 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.