MEDIA RELEASE
Austral Gold Limited

28 January 2022

AUSTRAL PROVIDES EXPLORATION UPDATE ON PROPERTIES IN CHILE

Austral Gold Limited (the **"Company"** or **"Austral"**) (ASX: AGD; TSX-V: AGLD) is pleased to provide an update on its on-going exploration activities in the Paleocene Belt in Chile.

Highlights:

- At Sierra Inesperada, we intercepted silver mineralization and minor gold intercepts from our phase III reverse circulation (RC) drilling campaign. The most significant results obtained were:

  RDIN-001: 6.0 meters @ 1.05 g/t gold and 2.7 g/t silver

  1.0 meter @ 1.99 g/t gold and 31.7 g/t silver

  RIN-001A: 41.0 meters @ 18.6 g/t silver (including 8.0 meters @ 24.8 g/t silver)

  30.0 meters @ 21.6 g/t silver

  60.0 meters @ 14.1 g/t silver (including 6.0 meters @ 32.5 g/t silver)

Paleocene HS Districts Exploration

At **Sierra Inesperada**, RC drilling phase III campaign was completed with five drillholes. We continued to intercept a zone with silver anomalies that suggests continuity at depth. No gold intercepts of economic level were obtained, with the best results at **6m@1.05gpt Au**. All drill holes crossed the phreatomagmatic complexes without reaching the feeder ducts.

At **Cerro Buenos Aires**, five holes were drilled to test the phreatomagmatic breccia boundaries related to CSAMT anomalies in three targets defined in the delineation stage. Despite having intercepted a large column of alteration, the results were not significant, and we dismissed the potential for a High Sulfidation type system in these properties located in the southern sector of Cerro Buenos Aires.

At **Morros Blancos**, the drilling program recently commenced, with the first drillhole targeting the central conduit of Maar Central phreatomagmatic complex as announced on 11 January 2022.

Table 1: Sierra Inesperada Drill results

Hole	East	North	RL	Dip	Azimuth	EoH	Sector	Section	Intercept	Width (m)	Depth (m)	Au gpt	Ag gpt
INESPERADA RESULTS													
Significant intercepts reported at 0.2 gpt Au cutoff; include at 1.0 gpt Au cutoff, sub-include at 3.0 gpt Au cutoff													
Significant silver intercepts reported at 5 gpt Ag cutoff (longer than 30 meters); include at 15 gpt Ag cutoff (longer than 5 meters)													
RDIN-001	439400.00	7219950.00	2595.00	-70	0	281.60	Purisima	439400		6.0	119.00	1.05	2.7
										1.0	135.00	0.33	9.8
										1.0	139.00	1.99	31.7
RIN-001A	439550.00	7220075.00	2617.00	-70	0	264.00	Purisima	439550.0		41.0	40.00	0.01	18.6
									Include	8.0	66.00	0.01	24.8
										30.0	132.00	0.01	21.6
										60.0	204.00	0.01	14.1
									Include	7.0	225.00	0.01	23.4
									Include	6.0	234.00	0.02	32.5
RIN-002	439552.00	7219921.00	2612.00	-70	0	300.00	Purisima	439550	*No significant intercepts*				

Quality Assurance

Industry standard practices were used for sampling of diamond drilling. Drilling Samples were sent to the Activation Geological Services (AGS) chemical laboratory, located in the city of Coquimbo, Chile, where the samples were mechanically prepared (crushed and pulverized according to standard protocol). Chemical gold analyzes were performed using Au50 FA-AAS procedures (50 gram weight used for assays). Fusion with final determination performed by Atomic Absorption; The results obtained equal to or greater than 5gr / ton., were analyzed by Au30GRAV, fusion with final gravimetric determination. For the base metal assays, acid digestion was performed with final determination by ICPMS (Ultra-trace multi-element package). Silver results equal to or greater than 100gr / ton., were analyzed by Ag30GRAV, fusion with final gravimetric determination. AGS has NCh 17025-2005 accreditation for the aforementioned tests and its central laboratory is located at Avenida La Cantera 2270, Coquimbo, Chile.

Competent Person

Technical information in this press release that relates to Exploration Results including the information listed in the table above is based on work supervised, or compiled on behalf of Robert Trzebski, a Director of the Company. Mr. Trzebski, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) 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' consents to the inclusion of the technical information that he has reviewed and approved or has been compiled on his behalf.

About Austral Gold

Austral Gold Limited is a growing gold and silver mining, development and exploration company whose strategy is to expand the life of its cash generating assets in Chile, restart its Casposo mine in Argentina and build a portfolio of quality assets in Chile, the USA and Argentina organically through a Tier 1 or 2 exploration strategy and via acquisitions and strategic partnerships. Austral owns a 100% interest in the Guanaco/Amancaya mine in Chile and the Casposo Mine (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), a noncontrolling interest in Pampa Metals and a 100% interest in the Pingüino 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.

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SIERRA INESPERADA and CERRO BUENOS AIRES
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 (e.g., 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 wood boxes, where it was geologically logged then half core samples were taken using an automatic core splitter, bagged, and sent to the laboratory. • The Reverse Circulation (RC) drilling samples were recovered from rifle splitter and stored in plastic bags, two twin samples are generated (A and B), correlatively numbered and levelled. First A was geologically logged and cutting plastic bag as backup performed, then sent to the laboratory. • Both types of drilling samples were sent to the Activation Geological Services (AGS) chemical laboratory, located in the city of Coquimbo, Chile, where the samples were mechanically prepared (crushed and pulverized according to standard protocol). Chemical gold analyses were performed using Au50 FA-AAS procedures (50-gram weight used for assays). Fusion with final determination performed by Atomic Absorption; The results obtained equal to or greater than 5gr / ton., were analysed by Au30GRAV, fusion with final gravimetric determination. For the base metal assays, acid digestion was performed with final determination by ICPMS (Ultra-trace multi-element package). Silver results equal to or greater than 100gr / ton., were analysed by Ag30GRAV, fusion with final gravimetric determination.

Criteria	JORC Code Explanation	Commentary
	commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., 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 were surface core drilling rig producing core at HQ size. • For RC 5 3/4" – 5 5/8" diameter holes were drilled, using 5" hammer with casing 6 meters long.
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 wooden boxes and transported a short distance to a core processing-sampling area where core recovery, depth markup and photography could be completed. • RC sample from one meter drilling was taken, that weighed approximately 30 kg, with recovery of approximately >95%.

Criteria	JORC Code Explanation	Commentary
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 and RC drillholes were geologically logged using predefined logging codes for lithology, alteration and mineralisation. • 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 were logged from start to finish.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all cores 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 sawn with an automatic 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. • Second half core was used for internal check assays and no physical backup was left. • For RC drilling, 30kg sample first riffled generated two 15kg samples, a second splitting provided two 7.5kg final samples (A and B).

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.	• RC sample B in the drillholes yard was stored as backup.
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 AGS laboratories. There they were crushed and prepared. Gold assays were done using FA-AAS procedure on a 50g sample. • ICP-Mass method with aqua regia digestion, final determination of 58 elements (Accredited Method by NCh17025-2017). • The results obtained equal to or greater than 5gr / ton., were analysed by Au30GRAV, fusion with final gravimetric determination. • Silver results equal to or greater than 100gr / ton., were analysed by Ag30GRAV, fusion with final gravimetric determination. • QA/QC procedures include the definition of a “Geochemical Check List” where all parameters are set to ensure adequate control over the stages of preparation and chemical analysis of all drilling samples. Blanks, standard and field duplicate are inserted with a frequency of 5%, coarse duplicates 2.25% and pulp duplicates 1.25%. • Levels of acceptancy for standard samples are to 3sd.
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. • Samples data entered manually into electronic spreadsheets. Data then entered in GVMapper software using Getac rugged tablets and stored in data base formats.

Criteria	JORC Code Explanation	Commentary
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 datum used was PSAD56 and UTM coordinate system. • Downhole surveys are completed by downhole methods (Champ Gyro) at regular intervals (25m and total hole).
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.	• Exploration drilling per target is in sections with 100 to 200 meters spacing and up to three drillholes per section at least 100 meters apart.
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.	• Drilling direction is defined by the mineralization controls identified during delineation activities at local scale.

Criteria	JORC Code Explanation	Commentary
Sample security	• The measures taken to ensure sample security.	• Samples are transported from the sampling area to the certified external lab via laboratory 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.	**Sierra Inesperada** • The Guanaco property 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 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.	**Sierra Inesperada** • 1878: Guanaco mineralisation was discovered by miners from the nearby Cachinal silver mines. • 1987: Minera Guanaco was controlled by the Gordo brothers and by the end of 1990, Minera Guanaco had drilled exploration holes. • 1991 to 1996: Amax entered a purchase option agreement and in 1993 started Guanaco operation. Parallelly, exploration was conducted including airborne and ground

		geophysical surveys, rock chip and grab sampling, geological mapping, and RC and core drilling. • 1999 to 2000: Kinross acquired Amax and conducting exploration core and RC drilling, data reviews, geological mapping, rock chip sampling and ground geophysical surveys. • 2002: Golden Rose, a subsidiary of AGD, entered a purchase-option agreement with Kinross, which was executed in March 2003.

Criteria	JORC Code Explanation	Commentary
Geology	• Deposit type, geological setting and style of mineralisation.	• The drilling targets defined in the areas have affinity with high sulfidation gold-silver epithermal deposit. Project areas corresponds to a large Advanced Argillic alteration zone developed in a maar-diatreme breccia complexes hosted in Palaeocene andesitic sequence. High sulphidation system are characterized by a core zone of residual quartz (vuggy) flanked by quartz-alunite to quartz-pyrophyllite produced by early low PH fluids below the paleowater table surface. Native gold, tellurides, acanthite, enargite, luzonite, and other copper sulphide and sulfosalt minerals, hosted by quartz gangue, characterize the mineralization related to a late fluid.
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.	• New drill holes are reported in the media release

Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., 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. • At Sierra Inesperada, significant gold intercepts are reported at 0.2 gpt Au cut-off; whilst silver intercepts are reported at 5.0 gpt Ag cut-off; include at 15.0 gpt Ag cut-off.
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 drilling is oriented close to perpendicular to the known strike orientation of the mineralisation. Downhole intersections are 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.	• Sections are 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.
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 (e.g., 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.	• At Sierra Inesperada, four targets have been tested with 21 diamond drillholes in two phases, and a third phase with 4 reverse circulation drillholes and one combined DDH and RC drillhole was executed. Integration of geological, geophysical, and geochemical new interpretations suggest potential blind gold mineralization that will be tested during Q2 of 2022.