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MEDIA RELEASE

10 October 2023

Austral Gold Announces US\$1M Non-Brokered Private Placement

Established gold producer Austral Gold Limited (Austral or the Company) (ASX: AGD; TSX-V: AGLD; OTCQB: AGLDF) announces that it has entered into an agreement to issue up to approximately 1.6 million non-transferable unsecured convertible notes, each having a face value of AUD\$1, to one arms-length accredited and sophisticated investor for gross proceeds of US\$1 million or approximately AUD\$1.6 million.

The number of notes will be determined by converting the gross proceeds into equivalent Australian dollars. The notes are to bear interest at a rate of 9% per annum and mature on the second anniversary of the date they are issued. Each note will entitle the holder to convert the notes into ordinary shares of the Company at the holder's option at a conversion price of AUD\$0.059 (approximately C\$0.051) per share during the first year and AUD\$0.118 (approximately C\$0.103) during the second year.

The Company intends to use the proceeds raised from this private placement for working capital and to repay outstanding debt.

The transaction is subject to acceptance by the TSX Venture Stock Exchange and the notes and the underlying conversion shares will be subject to a four month hold period as required by applicable Canadian law. The notes will not be listed on any public market. The convertible notes may not be converted until after four months and one day from the date the unsecured convertible notes are issued.

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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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 the Company's intent to use the proceeds of the sale to repay outstanding debt.

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.



About Austral Gold

Austral Gold is a growing gold and silver mining producer building a portfolio of quality assets in the Americas. Austral continues to lay the foundation for its growth strategy by advancing its attractive portfolio of producing and exploration assets.

OPERATIONS

- **Guanaco and Amancaya mines, Antofagasta Province, Chile** (100% interest)
Open pit and underground.
 - **Casposo/Manantiales Mine Complex, San Juan Province, Argentina** (100% interest)
Gold and silver mine currently in care and maintenance. Strategy is to restart profitable mining operations.
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EXPLORATION

CHILE

- Paleocene Belt, Chile
- Guanaco District
- Amancaya District
- Las Pampa District

ARGENTINA

- Triassic Choiyoi Belt
 - Indio Belt
 - Deseado Massif
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EQUITY INVESTMENTS

- Unico Silver Limited, an ASX listed company (17% interest)
- Rawhide Mine, private vehicle, Fallon, Nevada, USA (24% interest)
- Ensign Minerals Inc., private vehicle, Utah, USA (12% interest)
- Pampa Metals Corp, a CSE listed company (5.5% interest)