



**AUSTRALGOLD**



**An Emerging South American Gold Producer**



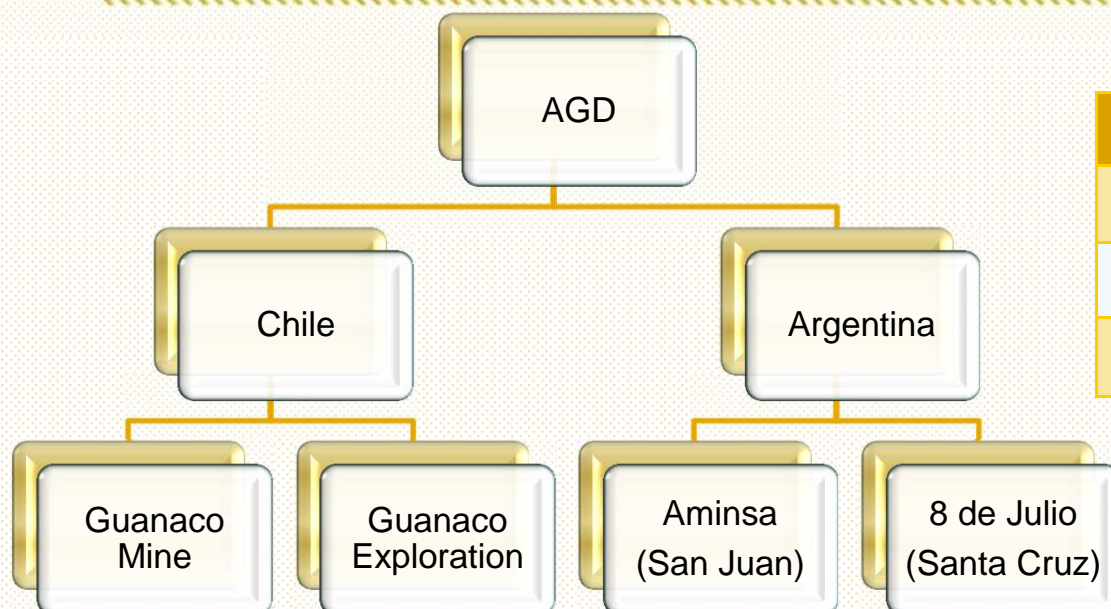
**ASX: AGD**

**[www.australgold.com.au](http://www.australgold.com.au)**

**November 2011**



## AGD "THE COMPANY"



### Top 3 Shareholders

IFIS	68.41%
Guanaco Capital Holding	14.36%
Eduardo Elsztein	2.77%

**85.55%**

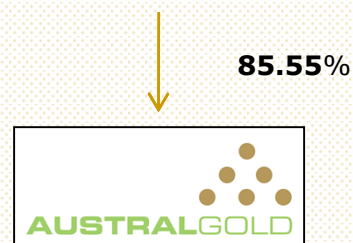
As of October 31, 2011	
Ordinary Shares	169.1 million
Share Price	AUD 0.285
Market Cap	AUD 48.2 million
Debt	AUD 53 million



## STRONG FINANCIAL SUPPORT



IFIS also has investment interests in the following Companies



### Agribusiness Argentina

MKT CAP (FD): U\$656 Million

ISIN: US2264061068 (NASDAQ: CRESY, BASE:CRES)



### Real Estate

MKT CAP: U\$586 Million

ISIN: US4500472042 (NYSE: IRS; BASE:IRSA)



### Financial Services

MKT CAP: U\$719 Million (BASE: BHIP)



### Shopping Centers

MKT CAP (FD): U\$840 Million (NYSE: APSA)



### Agribusiness Brazil

MKT CAP: U\$317 Million (BOVESPA: AGRO3)



### Hotels – US

MKT CAP: U\$748 Million (NYSE: HT)

FD: Fully Diluted As of October 31, 2011

**Our strategy is to transform AGD into a similar-sized or larger company as IFIS has done with its other investments**

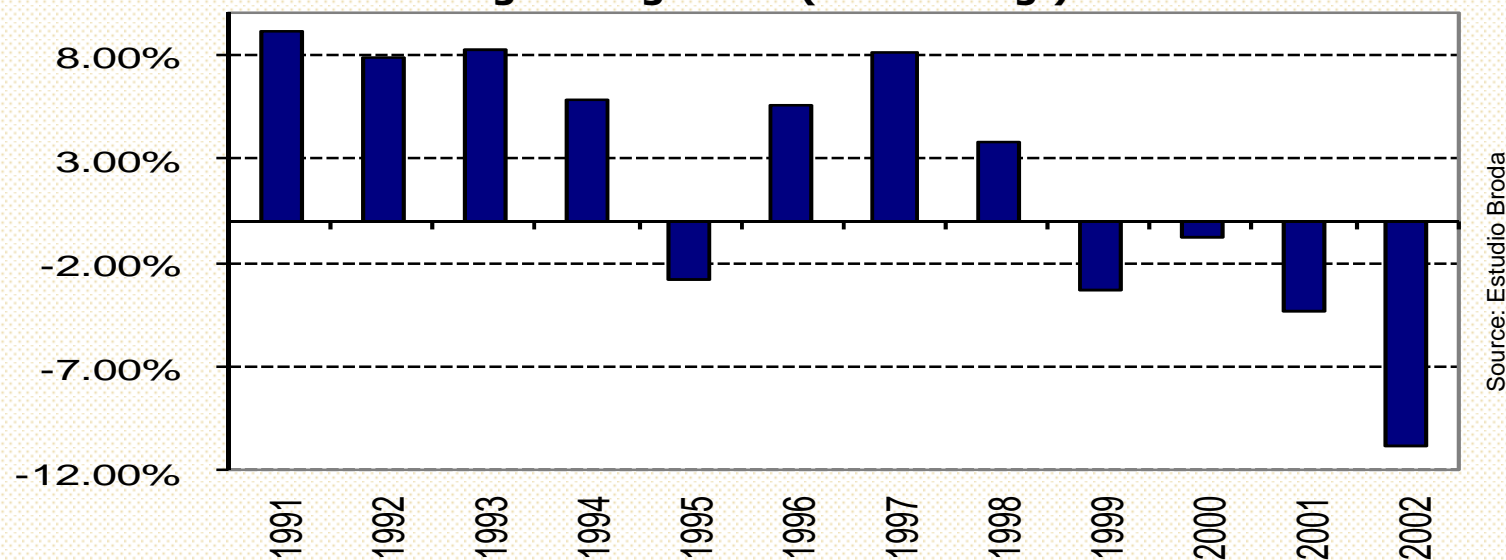




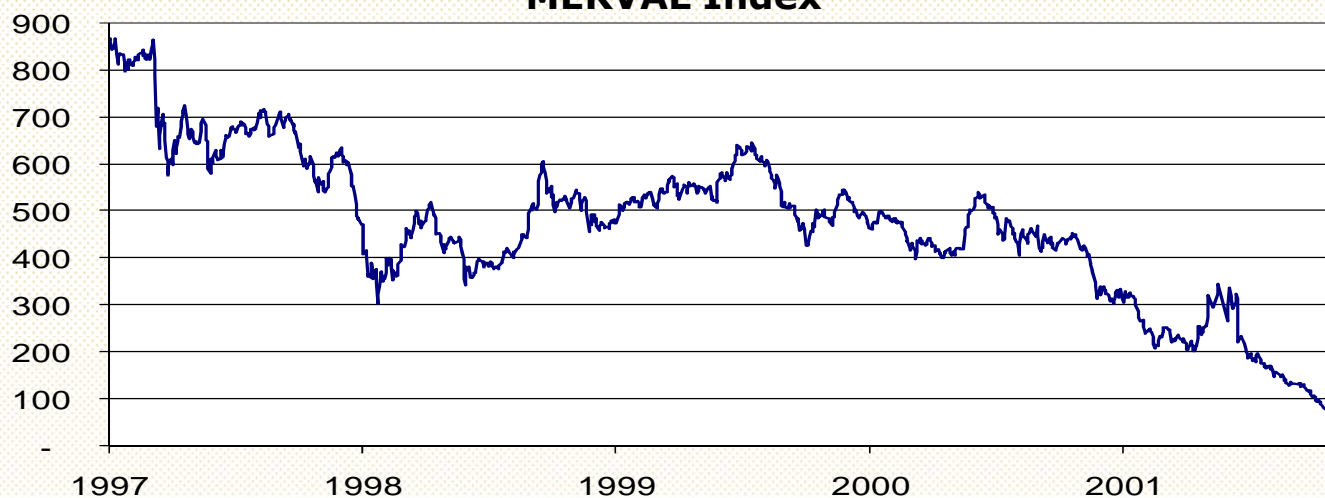
## ARGENTINEAN INDEXES



Arg. GDP growth (YoY % chg.)



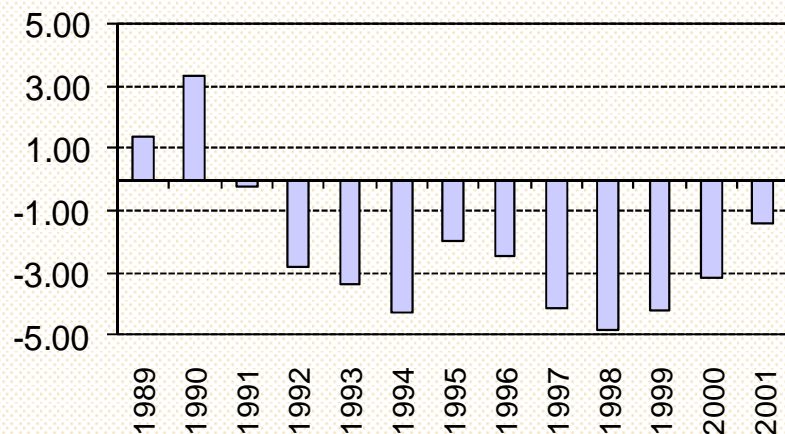
MERVAL Index



## ARGENTINEAN INDEXES

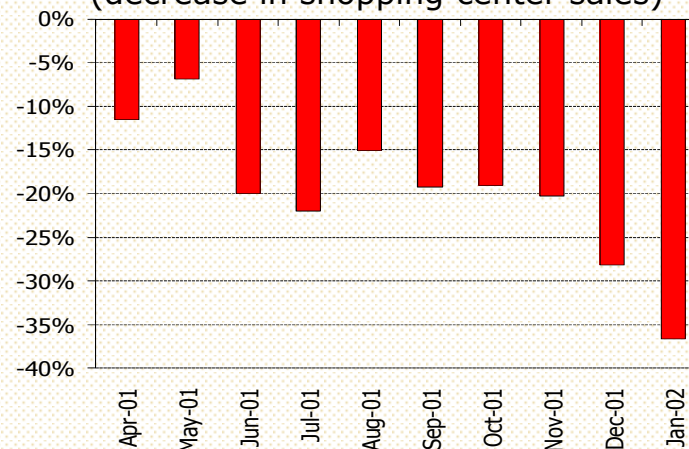


**Arg. current account as a % of GDP**

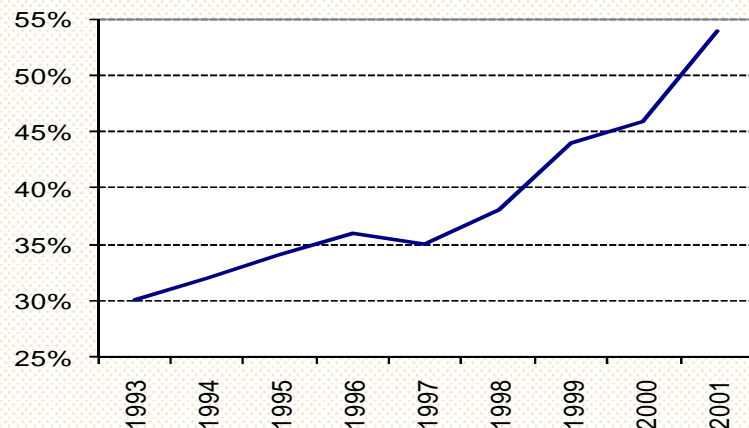


Source: Estudio Broda

**Arg. Consumption Downturn**  
(decrease in shopping center sales)



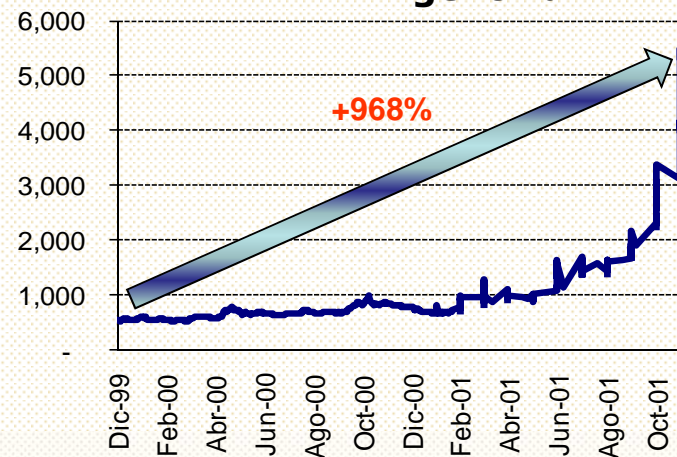
**Arg. Government debt as a % of GDP**



Source: Estudio Broda

Government debt increased substantially, creating the need for an adjustment in public spending

**EMBI+ Argentina**



Source: Estudio Broda

"He who deposited dollars, will be able to take dollars out"  
Argentine President Eduardo Duhalde Jan 2002

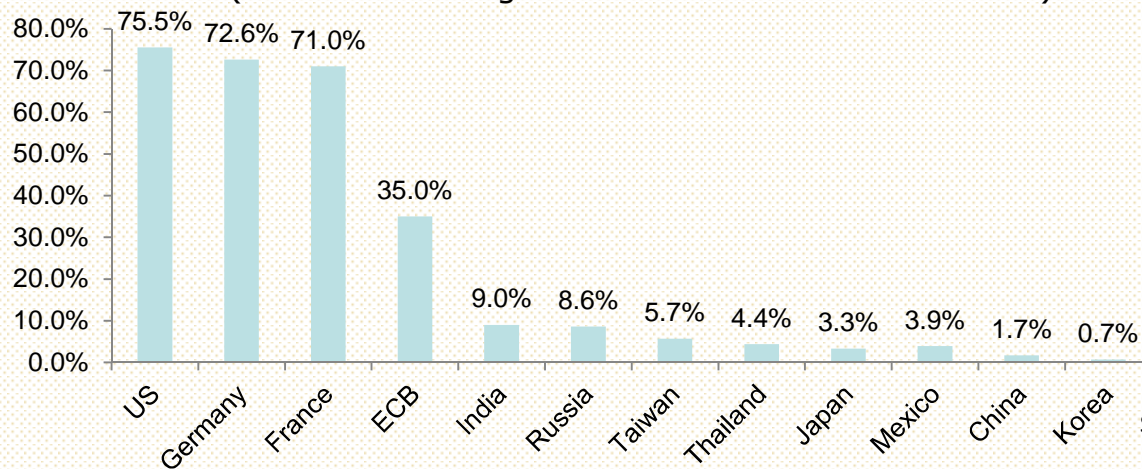


# CENTRAL BANKS' GOLD RESERVES

AUSTRALGOLD

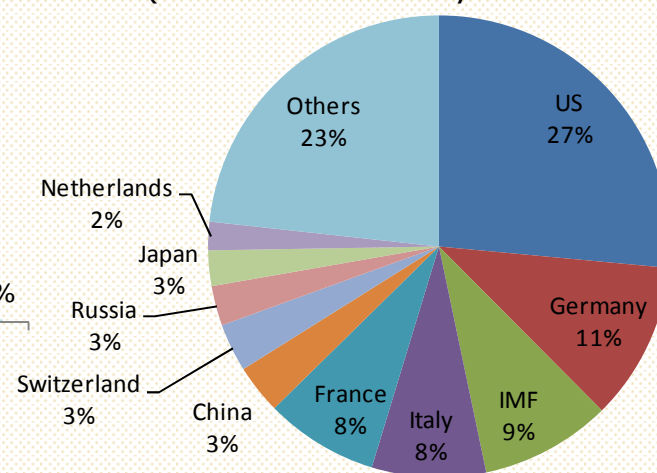
## Central Bank Gold Holdings

(% of Total Foreign Reserves of each Central Bank)

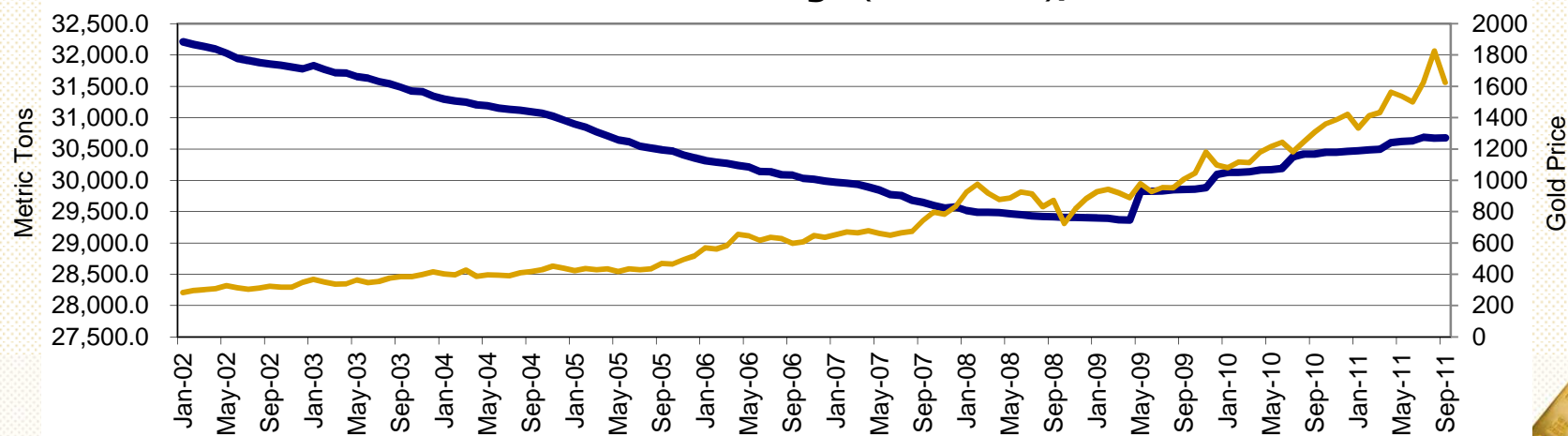


## Top 10 Central Banks' Gold Holdings

(% of Tones Held by Central Banks)



## Central Bank Gold Holdings (Metric Tons)/ Gold Price

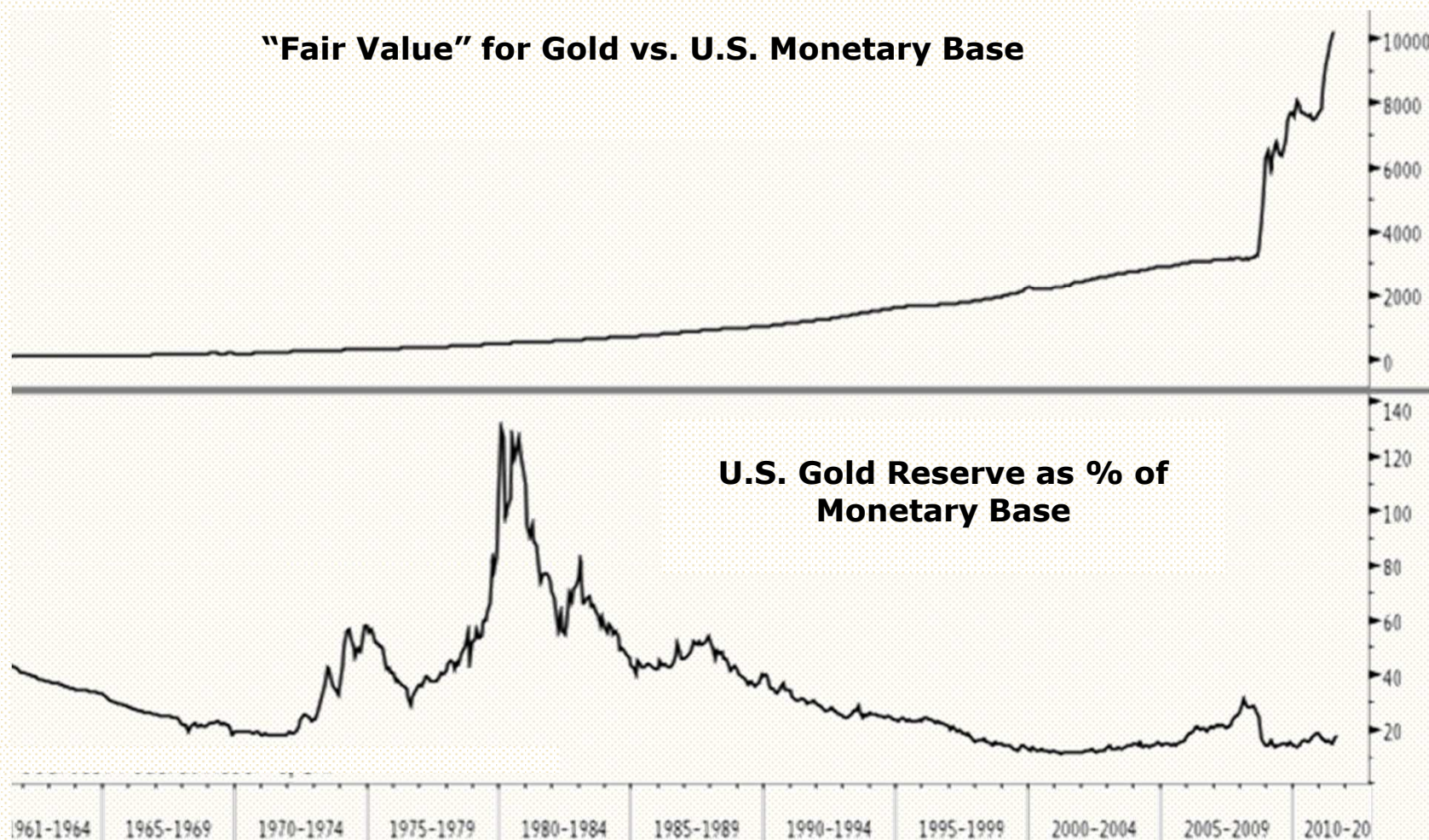


Sources: World Gold Council, Bloomberg





## GOLD vs. U.S. MONETARY BASE



Sources: Federal Reserve, IMF







## BUYING GOLD



AUSTRALGOLD







## AGD INVESTMENT HIGHLIGHTS

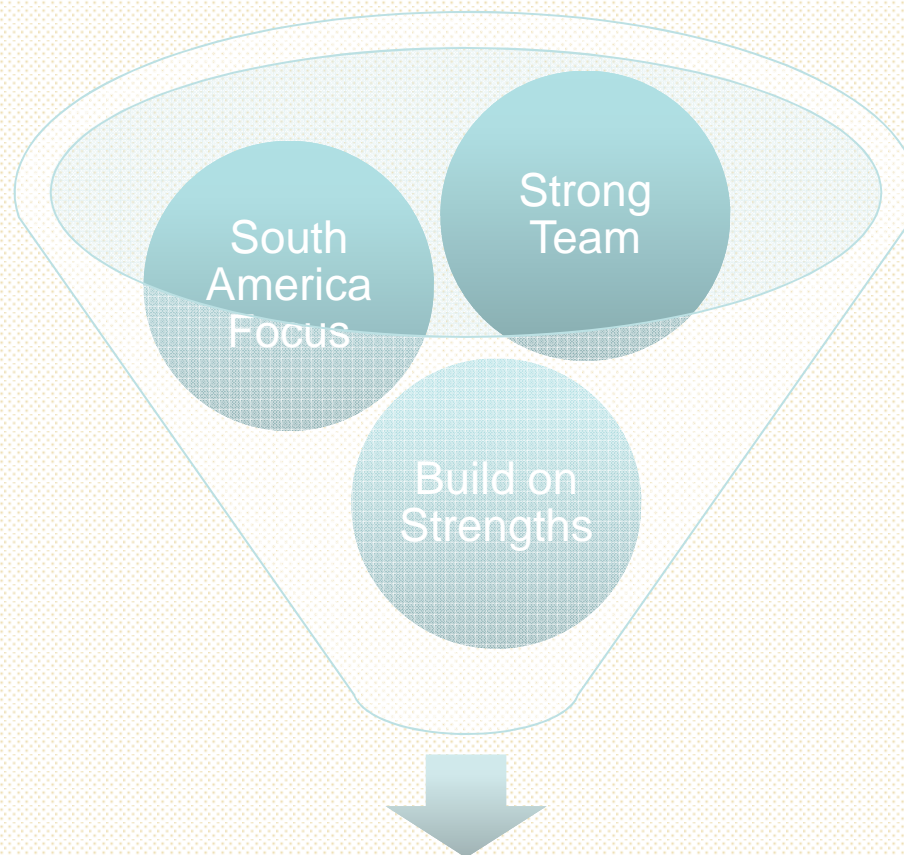


- 100% Ownership of Guanaco Gold Mine, Chile
  - Short Term Budget Production: **40k** GEO 2012e
  - Mid Term Target production: **100k** GEO 2014e
  - Long Term Target: Quality intermediate size producer
- Strong Technical and Management Team  
(ex Meridian Gold/ El Peñon Gold Mine, Chile)
- Exceptional Growth Potential in Chile and Argentina
- Powerful Major Shareholder with unrivalled investment network and potential co-investors across North and South America





## AGD GROWTH STRATEGY



**Quality South American  
Intermediate Size Producer**







### ○ Chile

- Most stable investment regime in South America
- Paleocene belt underexplored for gold and silver

### ○ Argentina

- Tremendous virgin exploration opportunities in the Patagonia
- Established mining law





## STRONG AND EXPERIENCED TEAM



- **Eduardo Elsztain** (Chairman)
  - High level government and business contacts in Argentina
  - AGD essentially private
- **Wayne Hubert** (Director)
  - CEO, Andean Resources
  - VP, Meridian Gold Inc.
- **Stabro Kasaneva** (COO) plus entire team that successfully started up and ran El Peñon Gold Mine
  - VP Operations Andean Resources
  - General Manager El Peñon Mine, Chile
  - Exploration Manager, El Peñon Mine, Chile
- **Chad Williams** (Strategic Advisor)
  - ex CEO, Victoria Gold
  - Top Gold Analyst in Canada







## BUILD ON STRENGTHS



### ○ **Grow Organically Through Exploration**

- Most experience with Au/Ag exploration in the Chilean Paleocene Belt with a junior
- Significant exploration experience in the Patagonia with Andean Resources, Cerro Negro project

### ○ **Guanaco Expansion**

- Expand existing production
- Previous exploration focused on shallower open pit potential
- Higher grade deep exploration potential
- Potential to discover a large porphyry copper at depth
- District consolidation with the water card

### ○ **Build Argentinean Gold Business**

- Continue to explore the 8 de Julio project in Patagonia
- Eduardo Elsztain has excellent reputation with central government and with the provincial governors





# **Chile: A Mining Country & Competitive Advantages**

- 4th Best Country for Mining Investment (2009/2010 Fraser Institute Ranking)
- Producing over 1/3 of Global Copper output and a large number of other minerals (Gold, Silver, Zinc, among others)
- Political, Economical & Social Stability
- Open Economy: Network of FTAs & Double-Taxation Agreements
- Cutting Edge Technology & High-skilled Workforce
- US\$ 37 billion planned investment for the period 2009/2018
- Mining sector key contributor to GDP

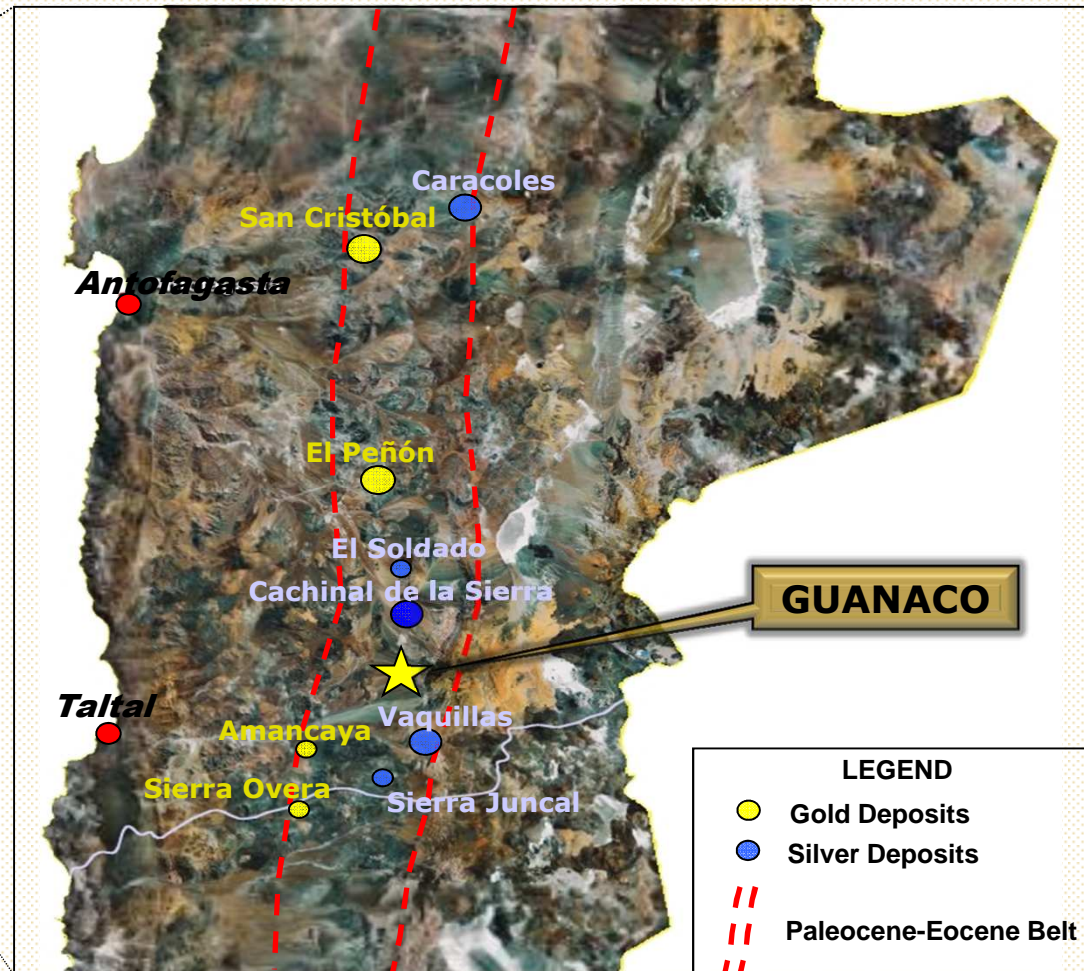




## GUANACO MINE STRATEGIC LOCATION



### Paleocene-Eocene Belt, Northern Chile





## GUANACO GOLD MINE HISTORY



- 1886 to mid 1980s - Guanaco is believed to have produced about 1 million ounces of gold
- 1993 to 1997 - Amax Gold produced 0.5 million Gold ounces
- 2003 - AGD acquired Guanaco
- Sept 2009 - AGD proceeds with the BFS, construction of a decline and plant refurbishment for heap leaching operation at Guanaco
- 2010 - Guanaco restarted operations
- 2011 - Guanaco is expected to produce **>15k** GEO

**2012 Expected Production: 40K GEO\***  
**(open pit and underground)**

\* Includes 36k ounces of gold plus silver







# GUANACO GOLD MINE





# GUANACO MINE MINERAL INVENTORY



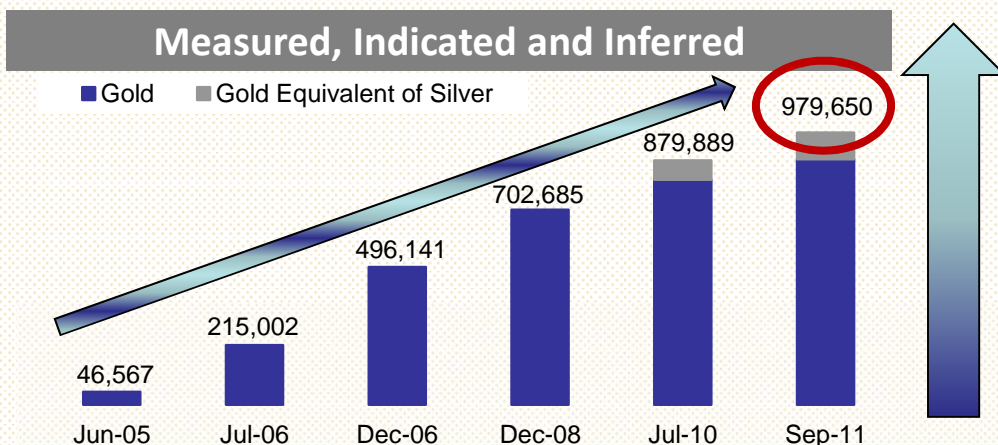
## TOTAL RESOURCES\*

RESOURCES Au	Measured (Me)			Indicated (Ind)			Total (Me+Ind)			Inferred (Inf)		
	Ton (kt)	Grade (g/t)	Ounces Au	Ton (kt)	Grade (g/t)	Ounces Au	Ton (kt)	Grade (g/t)	Ounces Au	Ton (kt)	Grade (g/t)	Ounces Au
Underground ( > 1.0 g/t Au)	1,264	3.7	150,506	2,862	2.91	268,018	4,126	3.15	418,524	2,553	2.42	198,824
Open Pit (> 0.4 g/t Au)	657	1.7	35,794	766	1.45	35,692	1,423	1.57	71,486	15	1.63	810
Heap Leach (>0.4 g/t Au)	8,334	0.54	145,748				8,334	0.54	145,748	2,777	0.55	49,261
<b>TOTAL</b>	<b>10,255</b>	<b>1.01</b>	<b>332,048</b>	<b>3,628</b>	<b>2.60</b>	<b>303,710</b>	<b>13,883</b>	<b>1.43</b>	<b>635,758</b>	<b>5,345</b>	<b>1.44</b>	<b>248,895</b>

RESOURCES Ag	Measured (Me)			Indicated (Ind)			Total (Me+Ind+Inf)			Inferred (Inf)		
	Ton (kt)	Grade (g/t)	Ounces Ag	Ton (kt)	Grade (g/t)	Ounces Ag	Ton (kt)	Grade (g/t)	Ounces Ag	Ton (kt)	Grade (g/t)	Ounces Ag
Underground	1,264	7.88	320,078	2,862	10.65	979,507	4,126	9.80	1,299,585	2,553	11.34	930,362
Open Pit	657	15.05	317,851	766	12.18	299,879	1,423	13.51	617,730	15	10.27	5,097
Head Leach	8,334	2.66	712,175				8,334	2.66	712,175	2,777	2.63	234,946
<b>TOTAL</b>	<b>10,255</b>	<b>4.09</b>	<b>1,350,104</b>	<b>3,628</b>	<b>10.97</b>	<b>1,279,386</b>	<b>13,883</b>	<b>5.89</b>	<b>2,629,490</b>	<b>5,345</b>	<b>6.81</b>	<b>1,170,405</b>

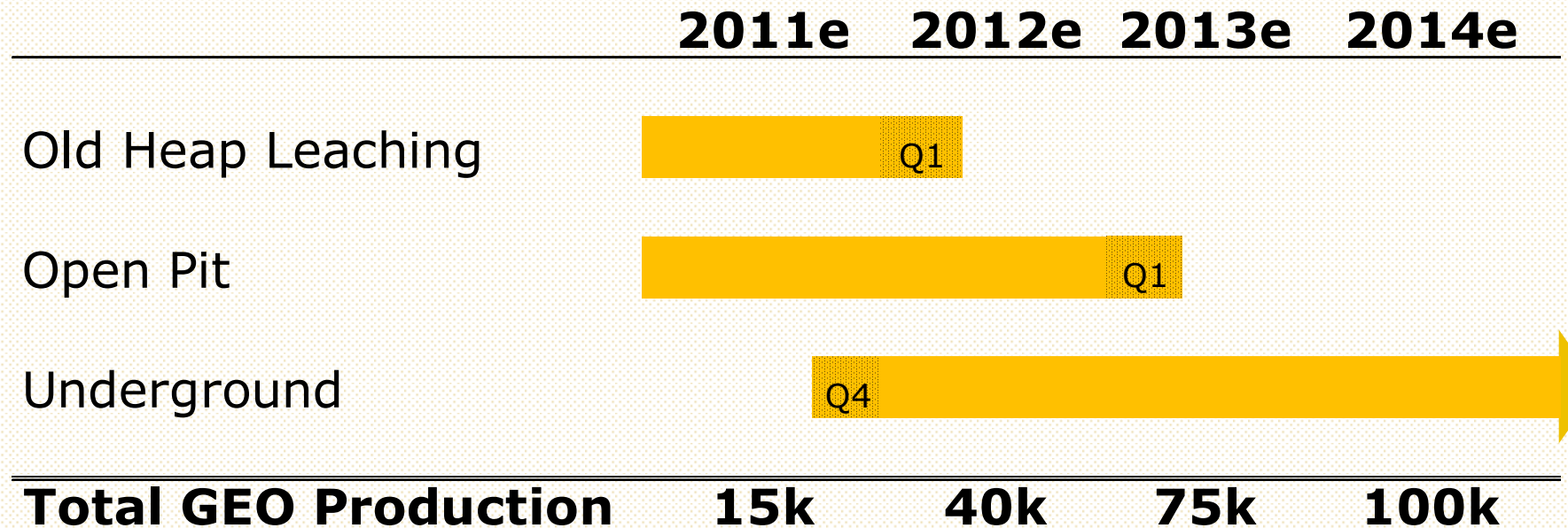
\* Completed by AMEC in July 2011; Compliant with NI-43-101 and JORC Standards







## GUANACO ESTIMATED GEO PRODUCTION



- Operational and Environmental Permits and Water Rights in Hand
- Friendly Mining Region with Qualified Manpower in the Area



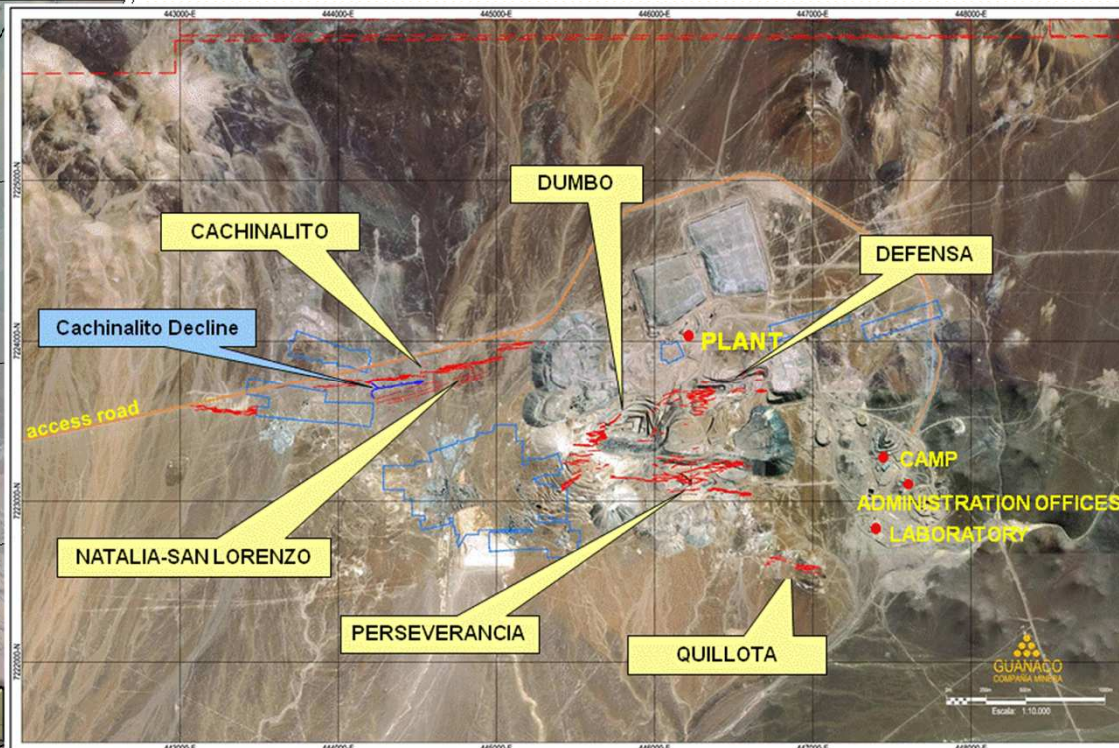
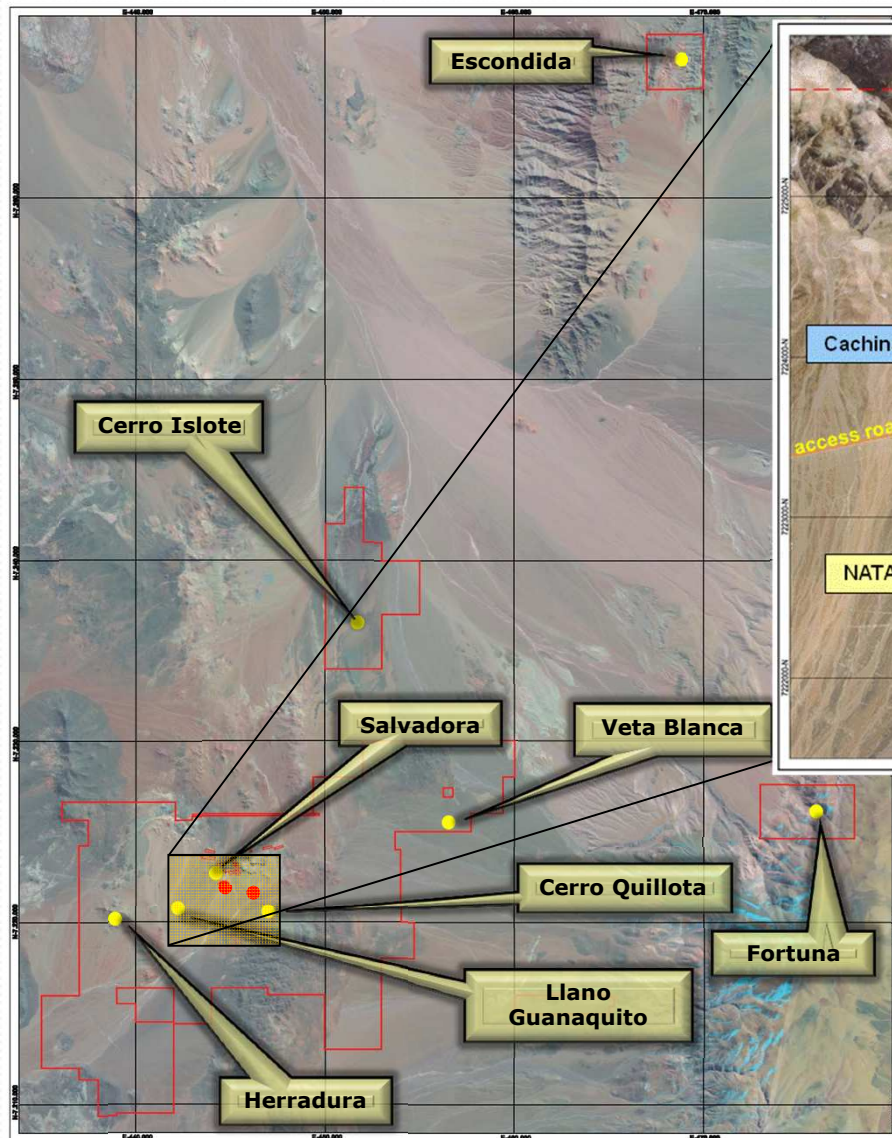




## AGD PROPERTIES IN PALEOCENT BELT



### 42,631 Ha Mine Property



### Guanaco Orebody Location



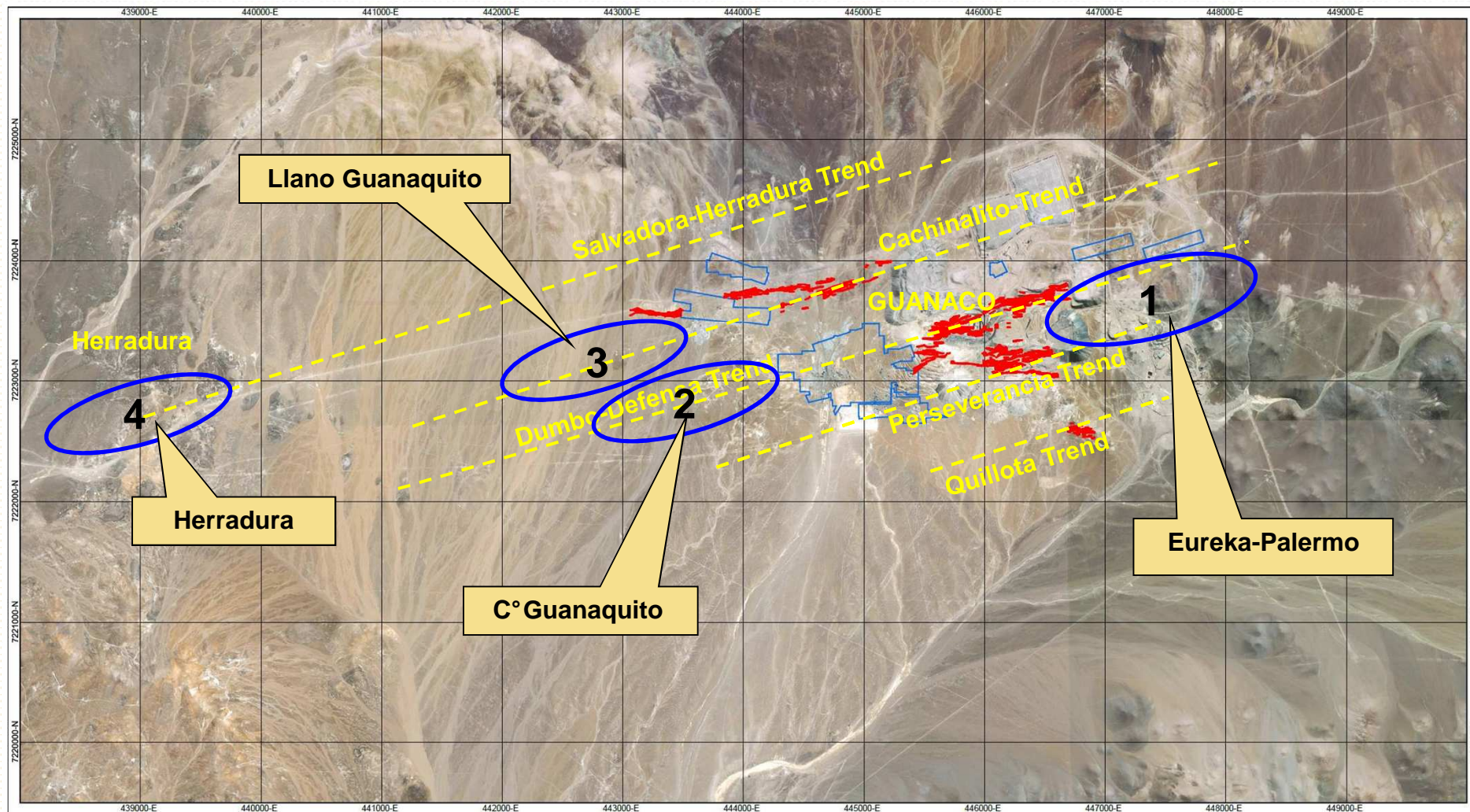




## 2011 DRILLED TARGETS (Gold and Silver)



AUSTRALGOLD



**Guanaco Minex**



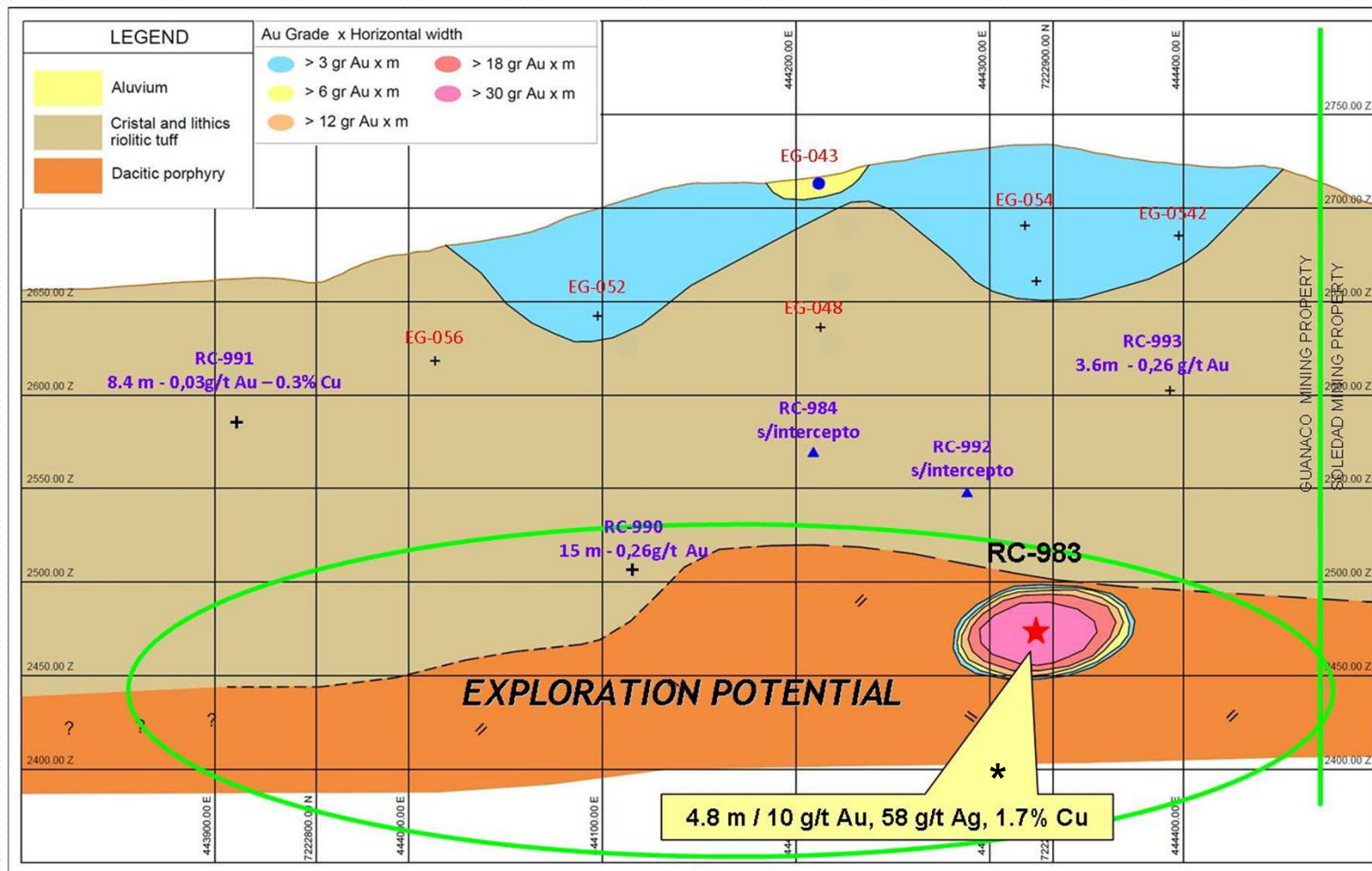




## NEW STRUCTURE: CERRO GUANAQUITO



### Longitudinal Section for Cerro Guanaquito Vein



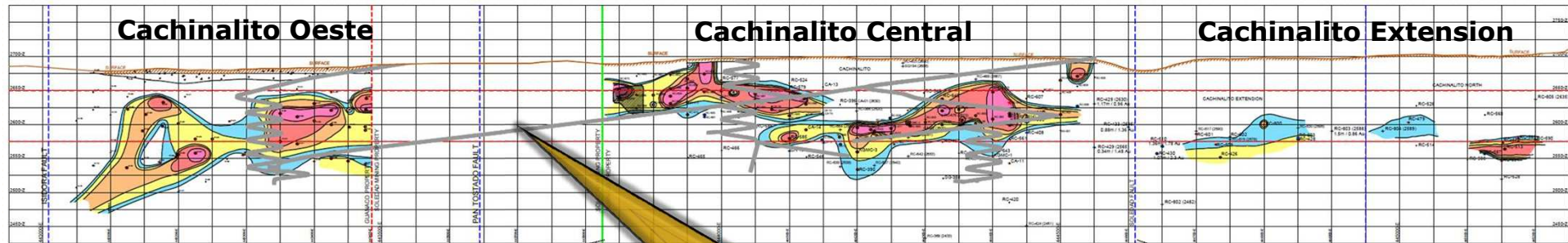
\* RC-983, intersected 8m along the hole with true width of 4.8m 10.03 g/t gold; 58.33 g/t silver and 1.7% copper





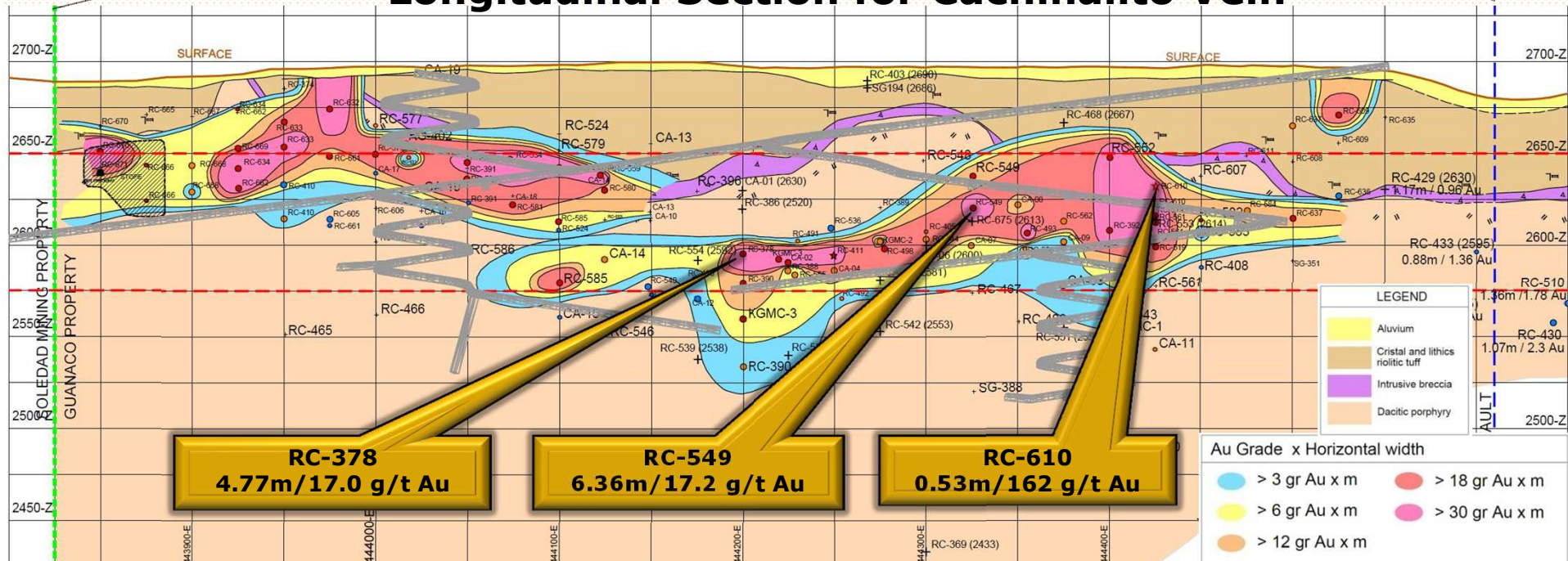
# MAIN HIGH GOLD VEIN: CACHINALITO

AUSTRALGOLD



CACHINALITO DECLINE

## Longitudinal Section for Cachinalito Vein





## GUANACO COPPER PORPHYRY POTENTIAL

AUSTRALGOLD

Guanaco lies directly on trend with some of the largest copper and gold deposits in the world

GUANACO







# **Argentina: Turning into a Mining Country**

- Wide Net of Local Contacts
- Big Exploration Potential Compared to Chile and Peru
- Competitive Prices and Operating Costs
- No Mandatory Government Participation
- Mining-Friendly Federal Government (The President of Argentina and San Juan Governor met in 2010 with Barrick Gold CEO and assured them about the investment rule of law in the country)
- Bilateral investment treaty with Australia

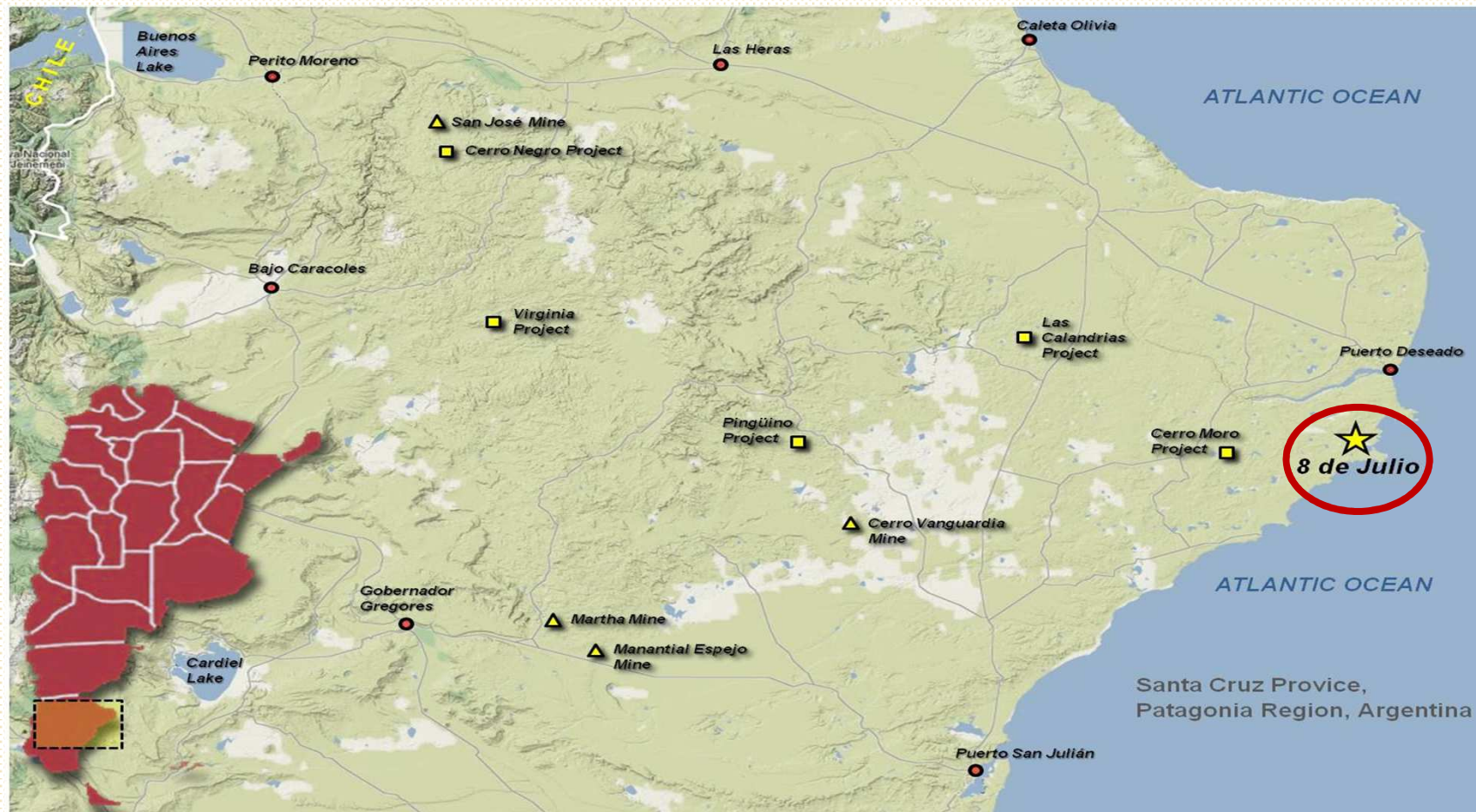
### **Santa Cruz & San Juan Provinces**

- Pro-Mining Provinces
- Mines in Operation
- Easy Exploration Accesses, Roads and Good Infrastructure





## ARGENTINA EXPLORATION POTENTIAL



AGD has a large property position in Santa Cruz Province, Argentina







## 8 DE JULIO – SANTA CRUZ PROVINCE



AUSTRALGOLD

- Located in the friendly mining Province of Santa Cruz
- Area totals almost 85,000 Ha in the attractive Deseado Massif unit. Low sulphidation Gold Vein System hosted in rocks of the Chon Aike formation
- The sector represents the most favorable place to find a new project in the Province
- Next to the interesting Cerro Moro Gold project (Extorre)
- High probability of occurrence of high grade veins comparable with the Extorre project
- Cheaper exploration costs v/s high impact on the market





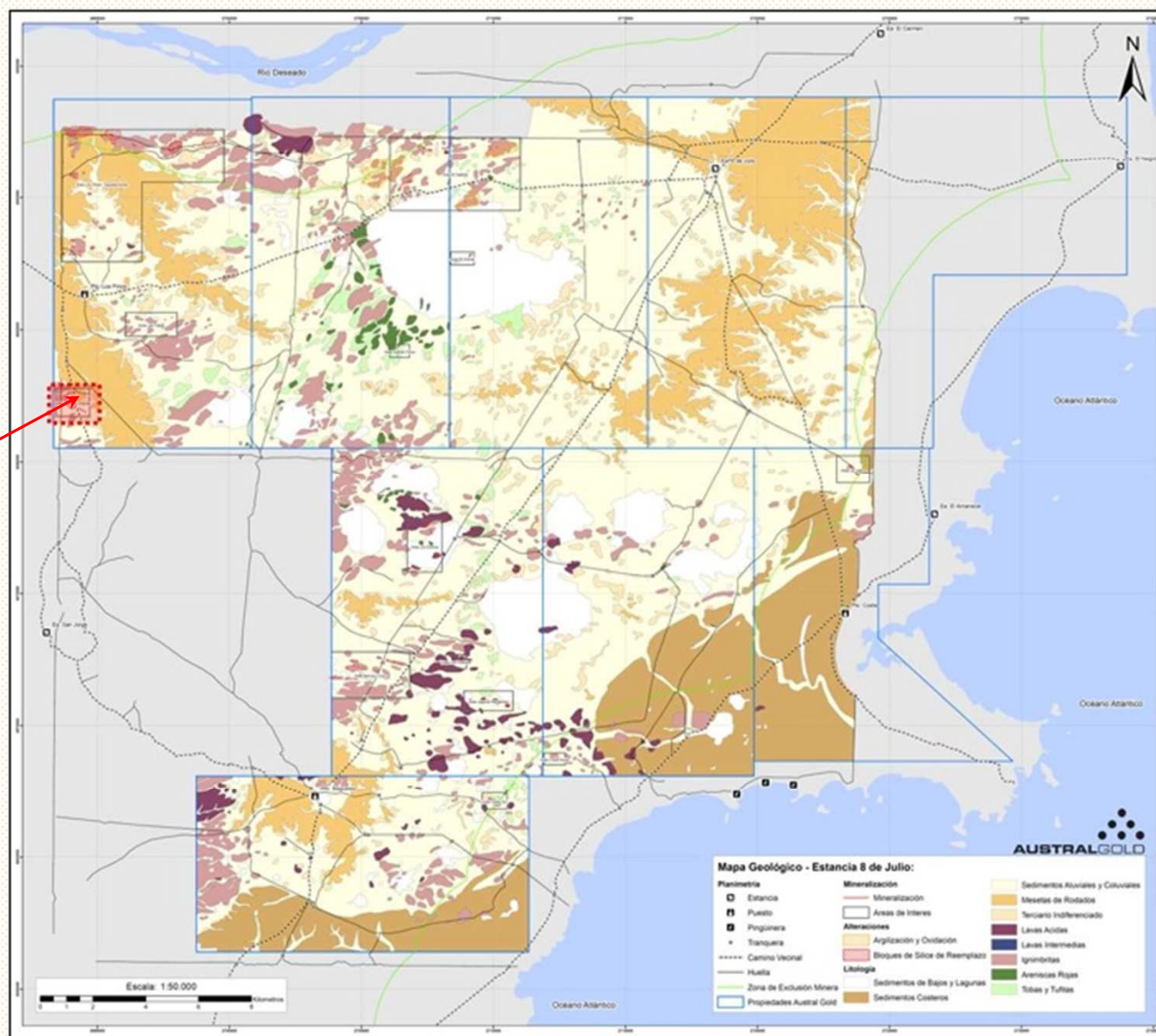


## 8 DE JULIO – GEOLOGICAL MAP



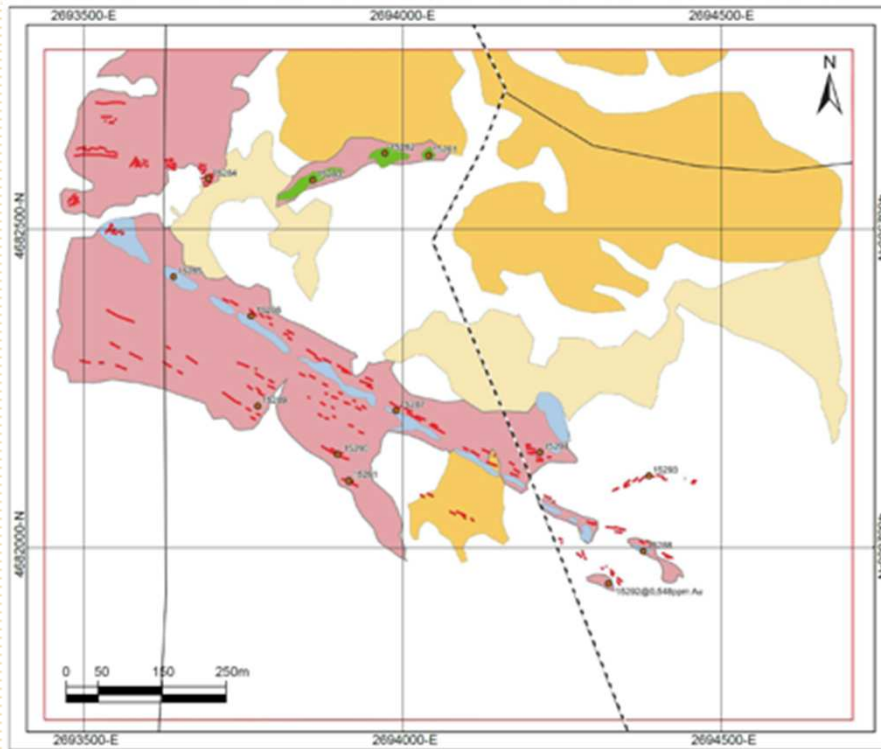
AUSTRALGOLD

Barroso Grande



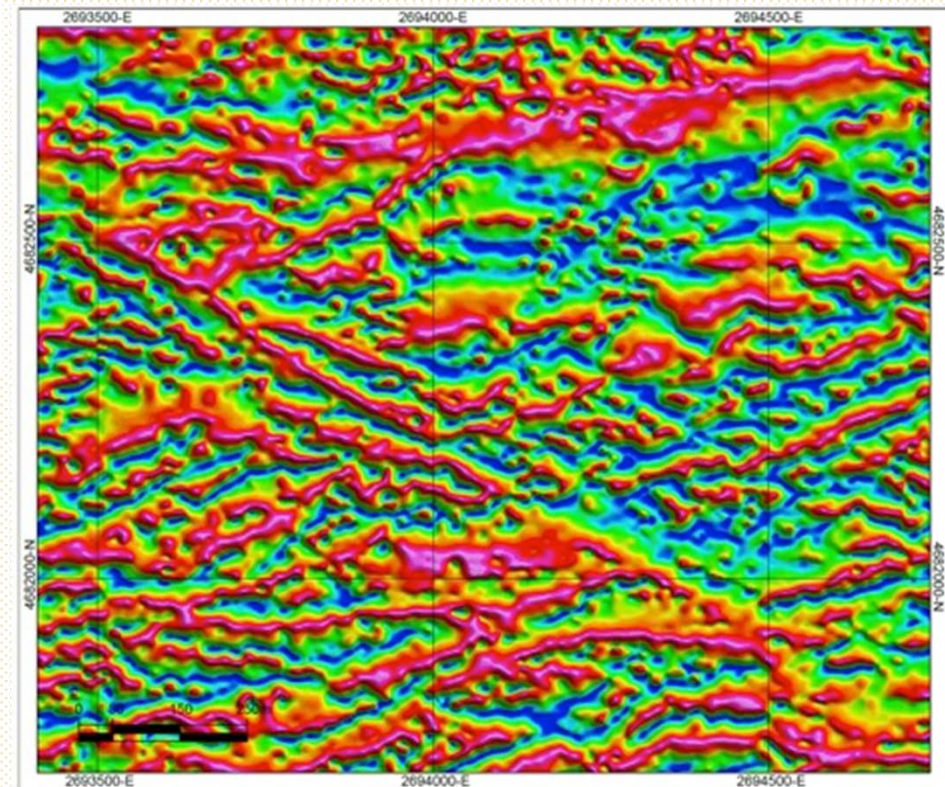


## BARROSO GRANDE GEOLOGY



**Barroso Grande Vein System**

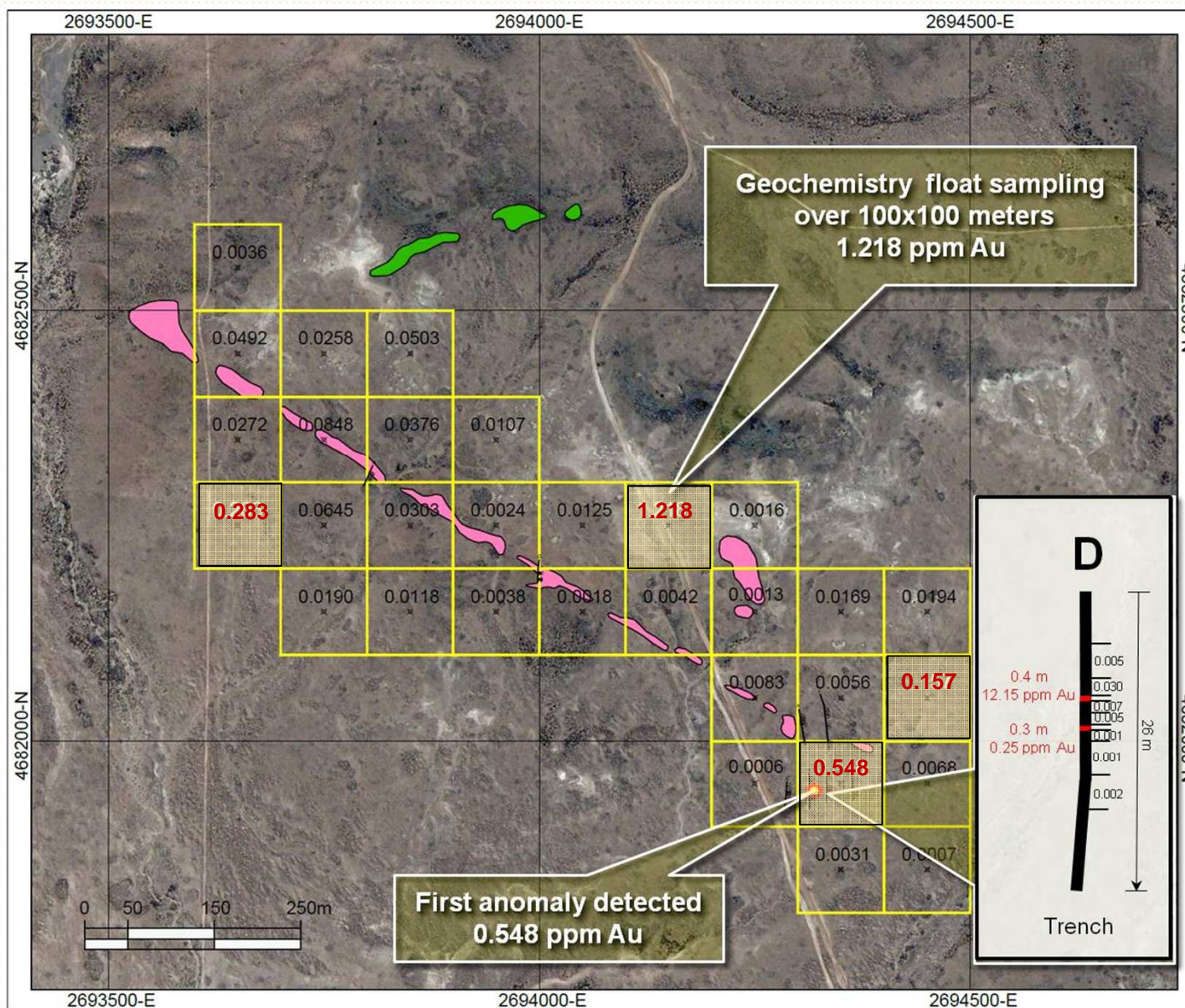
## Barroso Grande Magnetic Response







## 8 DE JULIO – SAMPLING ASSAYS







## AGD SHORT TERM OBJECTIVES



- Increase Gold Inventory through Exploration
- Increase Market Valuation to More Accurately Reflect the Value of Our Assets
- Increase Share Liquidity on ASX and Initiate TSX Listing
- Improve Company's Balance Sheet
- Obtain Equity Analyst Coverage
- Seek Merger and Acquisition Targets that can benefit from our strong Exploration and Operating Team





## IN SUMMARY



- The right Team is now in place with a track record of success in South America
- Existing production and exploration assets in Chile and Argentina have upside potential
- We have a plan in place to improve liquidity and capital structure – This is Our Priority
- Backing from one of Argentina's largest investment groups
- Unrivalled network of potential investors and co-investors
- Growth strategy determined – we are actively assessing M&A opportunities now







## IN SUMMARY



AGD represents an attractive investment today because:

- 1) Proven Technical Team
- 2) Owner and Operator of Valuable Gold Mine in Chile with Significant Exploration Upside
- 3) Exceptional Growth Potential in Chile and Argentina
- 4) Strong Local Supporters will Promote Corporate Growth





## AGD BOARD OF DIRECTORS



### **Eduardo Elsztain, Chairman**

- Chairman of Cresud (Nasdaq: CRESY), IRSA (NYSE: IRS) and Banco Hipotecario (BASE: BHIP)
- Chairman of the Governing Board of the World Jewish Congress and Member of the World Economic Forum
- Board Member of BrasilAgro (BOVESPA: AGRO3) and Board member of the Buenos Aires Stock Exchange

### **Wayne Hubert**

- Was the CEO of ASX-listed Andean Resources Limited (acquired by Goldcorp Inc.)
- Held executive roles at Meridian Gold
- Holds directorship positions for other Mining Companies

### **Stabro Kasaneva (and COO of Austral)**

- Was Exploration Manager and then General Manager at El Peñón mine, Chile (Meridian Gold)
- Was Business Development Manager for Meridian Gold
- Was VP of Operations for Andean Resources Ltd

### **Saul Zang**

- Lawyer; founded the law firm Zang, Bergel and Viñes in Buenos Aires advising national and international companies
- Vice-Chairman of the Board of Directors of IRSA (NYSE: IRS) and Director of many other substantial companies in Argentina among the Buenos Aires Stock Exchange

### **Robert Trzebski**

- Structural Geologist, PhD in Geophysics, and Masters in Project Management
- Chief Executive of the Australian Mining Services Export Association, Austmine Ltd
- Holds directorship positions for other Mining Companies in Latin America

### **Ben Jarvis**

- Managing Director and co-founder of Six Degrees Investor Relations (Australia)
- Director of South American Tin Limited, ORO SA Limited, and Arena Minerals Pty Limited

### **Pablo Vergara del Carril**

- Lawyer; holds directorships in many substantial companies in Argentina and abroad







## CONTACTS



### **STABRO KASANEVA – DIRECTOR & COO**

[SKasaneva@australgold.com.au](mailto:SKasaneva@australgold.com.au)

14 de Febrero 1822 , Office # 8

Antofagasta – Chile

Tel +(56 55) 440 306

Fax + (56 55) 440 305

### **BEN JARVIS – DIRECTOR**

[BJarvis@australgold.com.au](mailto:BJarvis@australgold.com.au)

Tel +(61 2) 9230 0661

Fax +(61 2) 9380 7972

Terrace Tower Suite 605, 80 William St

Sydney NSW, 2011 - Australia

### **SEBASTIAN ENGELSZTAJN – CFCO**

[SEngel@australgold.com.au](mailto:SEngel@australgold.com.au)

Bolivar 108

C1066AAD - Buenos Aires – Argentina

Tel +(54 11) 4323 7558

Fax +(54 11) 4323 7591



**ASX: AGD**

[www.australgold.com.au](http://www.australgold.com.au)



## DISCLAIMER



This presentation (Presentation) has been prepared by Austral Gold Limited ("AGD") based on information available to it from them and third party sources. This Presentation does not purport to contain all the information that a prospective investor may require in connection with any potential investment in AGD or its affiliates. You should not treat the contents of this Presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters. No representation or warranty is made by AGD or its affiliates or any of its advisers, agents or employees as to the accuracy, completeness or reasonableness of the information in this Presentation or provided in connection with it.

No information contained in this Presentation or any other written or oral communication in connection with it is, or shall be relied upon as, a promise or representation and no representation or warranty is made as to the accuracy or attainability of any estimates, forecasts or projections set out in this Presentation. No liability will attach to AGD or its affiliates, with respect to any such information, estimates, forecasts or projections. AGD or its affiliates do not accept responsibility or liability for any loss or damage suffered or incurred by you or any other person or entity however caused (including, without limitation, negligence) relating in any way to this Presentation including, without limitation, the information contained in or provided in connection with it, any errors or omissions from it however caused (including without limitation, where caused by third parties), lack of accuracy, completeness, currency or reliability or you, or any other person or entity, placing any reliance on this Presentation, its accuracy, completeness, currency or reliability. AGD or its affiliates do not accept any responsibility to inform you of any matter arising or coming to AGD or its affiliates' notice after the date of this Presentation which may affect any matter referred to in this Presentation.

This presentation has been furnished on a confidential basis solely for the information of the person to whom it has been delivered and may not be reproduced or used for any other purpose. The information provided in this presentation is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation, or which would subject AGD or its affiliates to any registration requirement within such jurisdiction or country. Neither the information, nor any opinion contained in this Presentation, constitutes a solicitation or offer by AGD or its affiliates to provide any investment advice. The distribution of this Presentation may be restricted by law in certain jurisdictions. Recipients, and any other persons who come into possession of this Presentation must inform themselves about, and observe any such restrictions.

This Presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of AGD or its affiliates. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of AGD or its affiliates may be influenced by a number of factors, many of which are outside the control of AGD or its affiliates. No representation or warranty, express or implied, is made by AGD or its affiliates, or any of its directors, officers, employees, advisers, consultants or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties that may cause AGD or its affiliates' actual future results, performance or achievements to be materially different from those expected, planned or intended. Recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. AGD or its affiliates do not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.







**ASX: AGD**  
**[www.australgold.com.au](http://www.australgold.com.au)**