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30 October 2009

Austral Gold Limited (ASX:AGD) is pleased to advise the following activity for the **quarter ended 30 September 2009**

HIGHLIGHTS

- Commencement of Bankable Feasibility Study at Guanaco.
- Commencement of 2009/10 drilling campaign at Guanaco.
- Mr Stabro Kasaneva, Chief Operating Officer of Guanaco Mining Company appointed as an Executive Director to the Board.
- Key management appointments.
- 2009 Annual Report released.

CORPORATE ACTIVITIES

On 29 September Austral Gold released its 2009 Annual Financial Report and Directors Report. The Austral Gold Group reported a loss for the year ended June 2009 of \$4.3 million.

Austral Gold will be holding its Annual General Meeting at 11am on 20 November 2009 at PKF Offices, Level 10, 1 Margaret Street, Sydney. The Notice of Meeting is available on the Company website at www.australgold.com.au.

EXPLORATION ACTIVITIES – Chile

Guanaco

In recent months Austral Gold has made several announcements towards recommencement of mining operations at Guanaco, its wholly owned gold/copper project in Region II of Chile.

These include;

12 June

Announcement of significant increase to inground gold resources at Guanaco bringing total gold and gold equivalent resources to nearly one million ounces.

11 September

Announcement of several key appointments which have significantly strengthened the management team. Heading the team is Mr Stabro Kasaneva who joined the Company as Chief Operating Officer and now Executive Director. Mr Kasaneva has had a distinguished career in the mining sector and brings many years of industry experience to the team.

Other key management appointments announced were:

- Rodrigo Ramirez as General Manager,
- Ivan Caceres as Plant and Processes Manager,
- Christian Cubelli as Exploration and Geology Manager and
- Rafael Ocariz as Metallurgy Senior Engineer

21 October

Announcement of commencement of a Bankable Feasibility Study (BFS) at Guanaco and the appointment of AMEC as lead consultant.

29 October

Announcement of commencement of the 2009/10 drilling campaign at Guanaco.

By order of the Board

Catherine Lloyd
CFO & Company Secretary

GOLD Au	INGROUND			MEASURED			INDICATED			INFERRED			TOTAL		
	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
	Cachinalito Oeste	334,310	3.22	34,631	526,940	2.99	50,373	203,012	2.50	16,555	1,064,262	2.97	101,559		
	Cachinalito Central	540,340	5.42	94,209	645,340	4.18	86,622	464,460	3.94	58,894	1,650,140	4.52	239,725		
	Dumbo Oeste	35,877	2.65	3,062	183,387	2.58	15,190	1,105,442	1.67	59,490	1,324,706	1.82	77,724		
	Perseverancia	8,537	1.45	399	29,696	2.40	2,289	38,540	2.41	2,986	76,773	2.30	5,674		
	Dumbo, Defensa, Perseverancia (Open pit)	1,575,013	0.84	42,653	5,050,459	0.80	141,571	4,003,705	0.78	100,441	10,629,177	0.80	284,665		
	TOTAL INGROUND	2,494,077	2.18	174,954	6,435,822	1.38	296,045	5,815,159	1.27	238,366	14,745,058	1.47	709,347		
	HEAP LEACH			MEASURED			INDICATED			INFERRED			TOTAL		
	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces
Heap Leach Pads - Phase I	3,897,578	0.512	64,160	-	-	-	939,094	0.512	15,459	4,836,672	0.512	79,619			
Heap Leach Pads - Phase II	4,436,567	0.572	81,591	-	-	-	1,838,141	0.572	33,804	6,274,708	0.572	115,395			
TOTAL HEAP LEACH	8,334,145	0.542	145,751	-	-	-	2,777,235	0.542	49,263	11,111,380	0.546	195,014			
TOTAL GOLD												904,361			

SILVER Ag	INGROUND			MEASURED			INDICATED			INFERRED			TOTAL		
	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
	Cachinalito Oeste	334,310	3.42	36,797	526,940	8.00	24,268	203,012	8.50	3,800	1,064,262	6.66	64,865		
	Cachinalito Central	540,340	3.42	59,378	645,340	3.89	80,730	464,460	4.97	74,170	1,650,140	4.04	214,278		
	Dumbo Oeste	35,877	14.40	16,611	183,387	16.17	95,325	1,105,442	12.84	456,508	1,324,706	13.34	568,444		
	Perseverancia	8,537	10.36	2,844	29,696	16.38	15,643	38,540	20.33	25,196	76,773	17.69	43,683		
	Dumbo, Defensa, Perseverancia (Open pit)	1,575,013	7.30	371,300	5,050,459	6.40	1,132,900	4,003,705	4.60	587,700	10,629,177	5.86	2,091,900		
	TOTAL INGROUND	2,494,077	6.05	486,930	6,435,822	6.60	1,348,866	5,815,159	6.44	1,147,374	14,745,058	6.44	2,983,170		
	HEAP LEACH			MEASURED			INDICATED			INFERRED			TOTAL		
	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces	Tonnes	Grade (ppm)	Ounces
Heap Leach Pads - Phase I	3,897,578	2.767	346,738	-	-	-	939,094	2.562	83,544	4,836,672	2.727	430,282			
Heap Leach Pads - Phase II	4,436,567	2.767	365,447	-	-	-	1,838,141	2.562	151,410	6,274,708	2.707	516,857			
TOTAL HEAP LEACH	8,334,145	2.767	712,185	-	-	-	2,777,235	2.562	234,954	11,111,380	2.716	947,139			
TOTAL SILVER												3,930,309			

Dr Robert Trzebski is a Director of Austral Gold Limited. He has a Degree in Geology, a PhD in Geophysics, a Master in International Project Management and has over 13 years professional experience in mineral exploration, project management and research and development.

Dr Robert Trzebski is a member of the Australian Institute of Mining and Metallurgy (AUSIMM) and qualifies as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Dr Robert Trzebski consents to the inclusion of the resource figures identified in the context it has been provided in this report.