MEDIA RELEASE

Austral Gold Limited

2 December 2020

AUSTRAL GOLD LIMITED
EXTRAORDINARY GENERAL MEETING

Austral Gold Limited ('the Company" or "Austral") (ASX: AGD; TSX-V: AGLD) is pleased to advise that the following documents were dispatched to shareholders today for its Extraordinary General Meeting to be held on Tuesday 12 January 2021 at 8:00am AEDT in Sydney Australia:

- Notice of Extraordinary General Meeting
- Shareholder proxy for shareholders on the Australian register
- Notice and access for shareholders on the Australian register
- Shareholder proxy for shareholders on the Canadian register

The Notice of Extraordinary General Meeting, the two sample Proxy Forms and the Notice and access form will be available at http://www.asx.com.au, *on the Company's website at* www.australgold.com *and will be filed on Sedar under the company's profile.*

About Austral Gold

AustralGold Limited is a growing gold and silver mining, development and exploration company building a portfolio of quality assets in Chile, the US and Argentina. Its 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 26.46% interest in the Rawhide Mine (Nevada, USA) and an attractive portfolio of exploration projects including its controlling interest in the Pingüino and Sierra Blanca projects in Santa Cruz, Argentina. 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 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 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***

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2 December 2020

Dear Shareholder

Extraordinary General Meeting

On behalf of the Board, I am pleased to invite you to attend a virtual Extraordinary General Meeting (**Meeting**) of Austral Gold Limited (**Company**). The Directors request Shareholders to participate in the Meeting and engage with the Board by:

1. lodging a proxy form in advance of the Meeting by following the instructions set out in the Notice;
2. lodging questions in advance of the Meeting by emailing questions to info@australgold.com; and
3. attending the Meeting by using Lumi, a virtual meeting platform utilised by the share registry of the Company, Computershare Investor Services Pty Limited. **Details of how to attend the virtual Meeting will be provided separately**.

Enclosed are the following documents:

- Notice of Meeting and Explanatory Statement;
- Proxy Form for the Extraordinary General Meeting; and
- Notice and Access (shareholders on Australian register only)
- a copy of the rules (**Rules**) of the proposed Stock Incentive Plan (**Plan**),

(collectively **Meeting Materials**).

We look forward to your participation at the Extraordinary General Meeting.

Yours faithfully,

David Hwang
Company Secretary
Austral Gold Limited

AUSTRAL GOLD LIMITED

ABN 30 075 860 472

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 8:00am (AEDT)

DATE: 12 January 2021

PLACE: **Virtual meeting using Lumi – there will not be any actual location for physical attendance at the Meeting**

Please note the instructions in this Notice of Extraordinary General Meeting carefully.

This Notice of Extraordinary General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

In accordance with Canadian National Instrument 71-*102* (**Instrument**) *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, Austral Gold Limited (**Company**) confirms that it is a Designated Foreign Issuer as defined in the Instrument and is subject to the regulatory requirements of the Australian Securities Exchange Limited. Accordingly, the Company confirms that, in accordance with Section 3.2 of the Instrument, this Notice of Extraordinary General Meeting has been sent to all Shareholders with a Registered address in Canada in the same manner and at the same time, or as soon as practicable after, it was sent to all holders of Shares in the Company's local jurisdiction, being Australia.

Should you wish to discuss the matters in this Notice of Extraordinary General Meeting, please do not hesitate to contact the Company Secretary, using the contact details on page 25.

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1. VOTING

YOUR VOTE IS IMPORTANT

The business of the Extraordinary General Meeting affects your shareholding and your vote is important.

VOTING AT THE MEETING (VIA LUMI)

Due to the COVID-19 pandemic and the restrictions on social gatherings and social distancing measures the Government has implemented, the Company is unable to hold the Extraordinary General Meeting in person this year.

Instead, we invite you to attend our Extraordinary General Meeting wherever you are in the world via Lumi (https://web.lumiagm.com/313185158) . If you choose to participate online you will be able to view a live webcast of the meeting, ask the Director's questions online and submit your votes in real time.

(Please note: if you have multiple holdings you will either need to log into Lumi under each SRN or HIN to vote live in the meeting, or cast your vote on other holdings ahead of the meeting via www.investorvote.com.au or by returning your proxy form before 8:00am on 10 January 2021).

APPOINTING A PROXY

A Shareholder who is entitled to attend and vote at the Extraordinary General Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy does not need to be a Shareholder. **As your proxy (excluding the Chair) may not be able to attend the Meeting, the Company strongly recommends that if you wish to appoint a proxy to the Meeting, that you appoint the Chair.**

If a Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the percentage or number of votes each proxy can exercise. If the proxy form does not specify the percentage or number of the Shareholder's votes that each proxy may exercise, each proxy may exercise half of the Shareholder's votes on a poll. Fractions will be disregarded.

In light of COVID-19 restrictions, you or your proxy (excluding the Chair) will not be able to attend the Meeting in person.

Neverthless, the Directors strongly encourage Shareholders to continue to participate in the Meeting and engage with the Board by:

1. lodging a proxy form in advance of the Meeting by following the instructions set out in the Notice;
2. lodging questions in advance of the Meeting by emailing questions to info@australgold.com;
3. attending the Meeting via Lumi as outlined above.

For Shareholders on the Australian Register:

To appoint a proxy online, please go to the Computershare website below:

(a) www.investorvote.com.au; or

(b) www.intermediaryonline.com for Intermediary Online subscribers only (**Custodians**).

Alternatively, a Shareholder can appoint a proxy by completing and signing its proxy form and sending the form by:

(a) post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne 3001, Victoria, Australia; or

(b) facsimile to Computershare on 1 800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

The deadline for receipt of proxy forms is **8:00am (AEDT) on 10 January 2021**, being not later than 48 hours before the commencement of the Meeting.

Any proxy appointments received later than this time will not be valid for the Meeting.

For Shareholders on the Canadian Register:

To appoint a proxy online, please go to the Computershare website www.investorvote.com using the control number located on your proxy.

Alternatively, you can appoint a proxy by completing and signing your proxy form and sending the form by:

(a) post to Computershare Investor Services, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2YI, Canada; or

(b) phone to Computershare on 1-866-732-VOTE (8683) (Toll free within Canada or US) or as indicated on your proxy.

The deadline for receipt of proxy forms for those on the Canadian Register is 8:00 am (PT) on Thursday, 7 January 2021**.**

Any proxy appointments received later than this time will not be valid for the Meeting.

POWER OF ATTORNEY

If the proxy form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy of that original power of attorney is sent with the proxy form, unless the power of attorney has previously been provided to the Share Registry.

CORPORATE REPRESENTATIVES

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

An appointment of corporate representative form may be obtained from Computershare by online at: https://www-au.computershare.com/Investor/help/printableforms

VOTING BY NON-REGISTERED SHAREHOLDERS IN CANADA

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Canadian Shareholders are "non-Registered" or "beneficial" Shareholders (**Non-Registered Shareholders**) because the Shares they own are not Registered in their names but rather, are instead Registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares.

Shares beneficially owned by a non-Registered Shareholder are Registered either:

(a) in the name of an intermediary (**Intermediary**) that the non-Registered Shareholder deals with in respect of the Shares; or

(b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (**CDS**)) of which the Intermediary is a participant.

In accordance with applicable securities law requirements, the Company will have distributed copies of the Meeting Materials, by mail or electronically, to the clearing agencies and Intermediaries for distribution to non-Registered Shareholders. Intermediaries are required to forward the Meeting Materials to all non-Registered Shareholders unless a non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to non-Registered Shareholders.

Generally, non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

1. be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a **Voting Instruction Form**) which instructions the Intermediary must follow. Typically, the Voting Instruction Form will consist of a one-page pre-printed form. The majority of brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (**Broadridge**) in Canada and the United States. Broadridge typically prepares a machine-readable Voting Instruction Form, mails those Voting Instruction Forms to non-Registered Shareholders and asks non-Registered Shareholders to return the Voting Instruction Forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Shares held by the Intermediary on behalf of those non-Registered Shareholders to be represented at the Meeting, and who are the beneficial owners of those Shares. Sometimes, instead of the one-page pre-printed Voting Instruction Form, the Voting Instruction Form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. For this form of proxy to validly constitute a Voting Instruction Form, the non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. A non-Registered Shareholder who receives a Voting Instruction Form cannot use that form directly to vote his or her Shares at the Meeting;

   OR

2. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the non-Registered Shareholder when submitting the proxy. In this case, the non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Investor Services, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2YI, Canada.

In either case, the purpose of these procedures is to permit non-Registered Shareholders to direct the voting of the Shares that they beneficially own. Should a non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting, or any adjournment(s) or postponement(s) thereof, (or have another person attend and vote on behalf of the non-Registered Shareholder), the non-Registered Shareholder should strike out the persons named in the voting instruction form and insert the name of the non-Registered Shareholder or such other person's name in the blank space provided.

In either case, non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the Voting Instruction Form is to be delivered.

A non-Registered Shareholder may revoke a Voting Instruction Form or a waiver of the right to receive Meeting Materials and to vote at the Meeting which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a Voting Instruction Form or of a waiver of the right to receive Meeting Materials and to vote, which is not received by the Intermediary **at least seven (7) days prior to the proposed time and date of the Meeting**. Non-Registered Shareholders fall into two categories, namely:

(a) those who object to their identity being made known to the issuers of securities which they beneficially own (**Objecting Beneficial Owners** or **OBOs**); and

(b) those who do not object to their identity being made known to the issuers of the securities they beneficially own (**Non-Objecting Beneficial Owners** or **NOBOs**).

The Company is not sending Meeting Materials directly to the OBOs and NOBOs. The Company will send the Meeting Materials through Intermediaries and agents of Intermediaries, to the OBOs and NOBOs.

2. NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of Shareholders of Austral Gold Limited (**Meeting**) will be held virtually at 8:00am (AEDT) on Tuesday, 12 January 2021.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Meeting. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary on page 26.

The Directors have determined under Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those who are Registered Shareholders of the Company that are quoted on the ASX at 8:00am (AEDT) on 10 January 2021.

The Company shall make a list of all persons who are Registered holders of Shares listed on the TSX-V as at the close of business at 5 p.m. (Toronto time) on Tuesday, 24 November 2020 (**Record Date**) and the number of Shares Registered in the name of each person at that time and on that date.

Each Shareholder is entitled to one vote for each Share Registered in that Shareholder's name as it appears on the applicable list.

In the event that Shareholders fail to approve Resolution 1 below, the Directors will withdraw each of the Directors Resolutions from being considered and voted upon by Shareholders at the Meeting. However, in the event that Resolution 1 is approved by Shareholders at the Meeting, Shareholders will also be asked to consider and vote upon each of the Directors Resolutions. Further, the approval or coming into effect of any Director Resolution will not be dependant or conditional upon the approval or coming into effect of any other Director Resolution.

AGENDA

1. **RESOLUTION 1 – ADOPTION OF AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN**

   Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 1**), which will be proposed and voted upon as an Ordinary Resolution.

   "*That for the purposes of the ASX Listing Rule 7.2, Exception 13, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act and for all other purposes, Shareholders approve the adoption of the Austral Gold Limited Stock Incentive Plan.*"

2. **RESOLUTION 2 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO EDUARDO ELSZTAIN**

   Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 2**), which will be proposed and voted upon as an Ordinary Resolution.

   "*That, subject to Resolution 1 being passed, for the purposes of each of:*

   - *ASX Listing Rule 10.14; and*
   - *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

   and for all other purposes, Shareholders approve the granting and issue of 2,000,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Eduardo Elsztain, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

3. **RESOLUTION 3 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO SAUL ZANG**

   Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 3**), which will be proposed and voted upon as an Ordinary Resolution.

   "*That, subject to Resolution 1 being passed, for the purposes of each of:*

   - *ASX Listing Rule 10.14; and*
   - *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting and issue of 2,000,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Saul Zang, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

4. **RESOLUTION 4 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO PABLO VERGARA DEL CARIL**

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 4**), which will be proposed and voted upon as an Ordinary Resolution.

"*That, subject to Resolution 1 being passed, for the purposes of each of:*

- *and ASX Listing Rule 10.14; and*
- *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting and issue of 500,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Pablo Vergara del Carril, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

5. **RESOLUTION 5 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO ROBERT TRZEBSKI**

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 5**), which will be proposed and voted upon as an Ordinary Resolution.

"*That, subject to Resolution 1 being passed, for the purposes of each of:*

- *and ASX Listing Rule 10.14; and*
- *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting and issue of 500,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Robert Trzebski, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

6. **RESOLUTION 6 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO BEN JARVIS**

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 6**), which will be proposed and voted upon as an Ordinary Resolution.

"*That, subject to Resolution 1 being passed, for the purposes of each of:*

- *and ASX Listing Rule 10.14; and*
- *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting and issue of 500,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Ben Jarvis, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

7. **RESOLUTION 7 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO WAYNE HUBERT**

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 7**), which will be proposed and voted upon as an Ordinary Resolution.

"*That, subject to Resolution 1 being passed, for the purposes of each of:*

- *and ASX Listing Rule 10.14; and*
- *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting and issue of 2,000,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Wayne Hubert, a

Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

8. **RESOLUTION 8 – ISSUE OF SECURITIES UNDER AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN TO STABRO KASANEVA**

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 8**), which will be proposed and voted upon as an Ordinary Resolution.

"*That, subject to Resolution 1 being passed, for the purposes of each of:*

- *and ASX Listing Rule 10.14; and*
- *Section 208, Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting and issue of 2,000,000 Options, each in accordance with the provisions of the Rules of the Austral Gold Limited Stock Incentive Plan to Stabro Kasaneva, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 4 of the Explanatory Statement."

9. **RESOLUTION 9 – ISSUE OF RESTRICTED SECURITIES OF AUSTRAL GOLD LIMITED TO STABRO KASANEVA**

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution immediately below (**Resolution 9**), which will be proposed and voted upon as an Ordinary Resolution.

"*That for the purposes of each of:*

- *ASX Listing Rule 10.11; and*
- *Section 257B(1), Section 259B(1), Section 260A and Section 200B, each of the Corporations Act,*

and for all other purposes, Shareholders approve the granting of 1,000,000 Restricted Shares to Stabro Kasaneva, a Director of the Company, or his Authorised Nominee, and otherwise in the manner contemplated by, and as set out in, Section 4, Paragraph 5 of the Explanatory Statement."

DATED: 2 December, 2020

By Order of the Board

David Hwang
Company Secretary
Austral Gold Limited

3. VOTING EXCLUSION STATEMENTS

For the definitions of Closely Related Parties, please refer to Section 5 - **Glossary**.

The Corporations Act restricts members of the KMP of the Company and their Closely Related Parties from voting in relation to the matters that are the subject of a Resolution.

What this means for Shareholders

If you intend to appoint a member of the KMP (other than the Chairman of the Meeting) as your proxy, please ensure that you direct them how to vote on each Resolution. If you do not do so, your proxy **will not be able to vote on your behalf** in respect of any Resolution.

If you intend to appoint the Chairman of the Meeting as your proxy (and you are not a KMP or a Closely Related Party), you are encouraged to direct the Chairman how to vote by marking a box for each Resolution (for example if you wish to vote for, or against, or to abstain from voting). If you appoint the Chairman as your proxy without directing him how to vote on a Resolution where he is a related party, the Chairman **will not be able to vote on your behalf** in respect of that Resolution.

However, the Company will not disregard a vote cast by the Chairman of the Meeting where it is in accordance with a direction on the proxy form to vote as the proxy decides. The Chairman of the Meeting intends to vote in favour of all Resolutions (where permissible). If you do not want your vote exercised in favour of any particular Resolution or Resolutions, you should direct the Chairman of the Meeting to vote "against", or to abstain from voting on that or each such Resolution.

The Company will disregard votes cast on a Resolution by the persons detailed in the table below.

Resolution	Voting Exclusions
Resolution 1 – Adoption of Austral Gold Limited Stock Incentive Plan	The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of: (a) a person who is eligible to participate in the Stock Incentive Plan; and (b) an associate of that person or those persons. However, that voting exclusion does not apply to a vote cast in favour of Resolution 1 by: (c) a person as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with the directions given to the proxy or attorney to vote on Resolution 1 in that way; or (d) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the chair to vote on Resolution 1 as the chair decides; or (e) a holder acting soley in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way. **Voting Prohibition Statement**: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 1 if: (a) the proxy is either: (i) a member of the Company's Key Management Personnel; or (ii) a closely related party of a member of the Company's Key Management Personnel; and (b) the appointment does not specify the way the proxy is to vote on Resolution 1. However, the above prohibition does not apply if: (c) the proxy is the Chair of the Meeting; and

	(d) the appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.
Resolutions 2-8 – Issue of Securities to Related Parties under the Stock Incentive Plan	The Company will disregard any votes cast in favour of Resolutions 2-8 (inclusive) by or on behalf of: (a) a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Stock Incentive Plan; and (b) an associate of that person or those persons. However, that voting exclusion does not apply to a vote cast in favour of Resolutions 2-8 (inclusive) by: (c) a person as proxy or attorney for a person who is entitled to vote on Resolutions 2-8 (inclusive), in accordance with the directions given to the proxy or attorney to vote on Resolutions 2-8 (inclusive) in that way; or (d) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolutions 2-8 (inclusive), in accordance with a direction given to the chair to vote on Resolutions 2-8 (inclusive) as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolutions 2-8 (inclusive); and (ii) the holder votes on Resolutions 2-8 (inclusive) in accordance with directions given by the beneficiary to the holder to vote in that way. **Voting Prohibition Statement**: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 2-8 (inclusive) if: (a) the proxy is either: (i) a member of the Company's Key Management Personnel; or (ii) a closely related party of a member of the Company's Key Management Personnel; and (b) the appointment does not specify the way the proxy is to vote on Resolutions 2-8 (inclusive). However, the above prohibition does not apply if: (c) the proxy is the Chair of the Meeting; and (d) the appointment expressly authorises the Chair to exercise the proxy even if Resolutions 2-8 (inclusive) is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.
Resolution 9 – Issue of Restricted Shares to Stabro Kasaneva	The Company will disregard any votes cast in favour of any of Resolution 9 by or on behalf of: (a) a person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit soley by reason of being a holder of ordinary securities in the Company); and (b) an associate of that person or those persons. However, that voting exclusion does not apply to a vote cast in favour of Resolution 9 by: (c) a person as proxy or attorney for a person who is entitled to vote on Resolution 9, in accordance with the directions given to the proxy or attorney to vote on Resolution 9 in that way; or

	(d) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 9, in accordance with a direction given to the chair to vote on Resolution 9 as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 9; and (ii) the holder votes on Resoluton 9 in accordance with directions given by the beneficiary to the holder to vote in that way. **Voting Prohibition Statement**: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 9 if: (a) the proxy is either: (i) a member of the Company's Key Management Personnel; or (ii) a closely related party of a member of the Company's Key Management Personnel; and (b) the appointment does not specify the way the proxy is to vote on Resolution 9. However, the above prohibition does not apply if: (c) the proxy is the Chair of the Meeting; and (d) the appointment expressly authorises the Chair to exercise the proxy even if Resolution 9 is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

4. EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 8:00am (AEDT) on Tuesday, 12 January 2021.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether to approve any or all of the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do or how to vote in relation to any or all of the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

1. RATIONALE AND KEY FEATURES OF AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN

The Board proposes to established a new employee incentive scheme known as the Austral Gold Limited Stock Incentive Plan (**SIP and Plan**), pursuant to which Options and/or Restricted Stock Units may be offered to selected directors and employees of the Company.

Austral Gold Limited - employee incentive plan and historical share prices

During the past 17 years, the Company has not operated or issued any securities under an employee incentive plan.

As of 30 September 2020, the volume weighted average share price (**VWAP**) over the last 5 and 10 years was $0.188 and $0.191 respectively.

Table 1 – 5 years VWAP share price

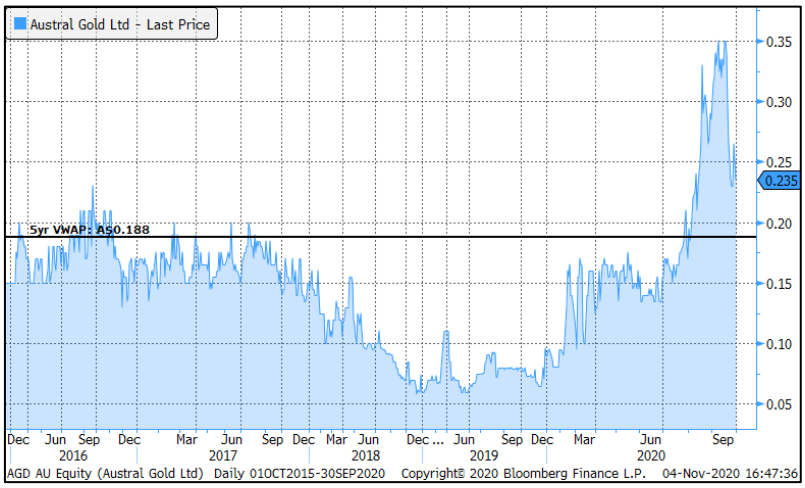
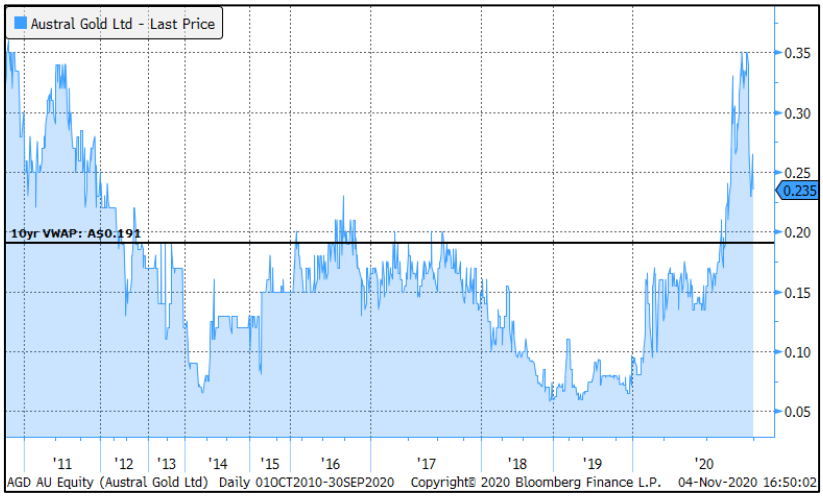


Table 2 – 10 years VWAP share price



At a meeting on 29 July, 2020, the Board acknowledged and discussed that a significant number of public companies listed on the ASX and the TSXV (the Company's securities being listed on both those exchanges) have successfully operated some form of equity compensation plan for many years. Accordingly, at that meeting, the Board approved the major terms of the SIP. A copy of the SIP later approved by the Board accompanies this Notice of Meeting. However, the implementation of the Plan is subject to approval by the Company's shareholders, in accordance with the relevant rules and policies of the ASX and TSX-V.

On 12 August, 2020 the Company issued a release to the ASX in connection with the adoption of the Plan, specifying that the exercise price of the Options that are proposed to be issued under the SIP would be A$0.20, as the most recent closing price for a Share as quoted on the ASX prior to the Board's adoption of the Plan was A$0.21 per Share. In that ASX release, it was also stated the Company intends to grant an aggregate of approximately 17,000,000 options and restricted stock units, with those restricted stock units being issued subject to certain resale restrictions. The Company acknowledges that the Company's current share price (as of 24 November 2020) is lower than A$0.20, however, wishes to reiterate that the exercise price was previously determined and announced. The Company intends to grant a total of 13,200,000 options of which 9,500,000 options are to be granted to the Directors of the Company and 3,700,000 options are to be granted to employes of the Company. In addition, the Company intends to issue 4,000,000 restricted shares to Senior Management, including the Company's Chief Executive Officer, Vice-President of Operations, Vice-President of Exploration, and Chief Financial Officer. The issuance the restricted shares will be issued outside of the SIP.

As at the date of this Document AGD has 566,065,407 Shares on issue. Pursuant to the shareholder approval that will be sought for the SIP, it is proposed that a maximum of 5% of the Company's issued share capital is issued pursuant to the SIP, which is a common threshold for employee incentive schemes adopted by ASX listed entities.

On 29 September, 2020, the TSXV advised the Company that, because the majority of the Company's Shares trade on the ASX, TSXV would defer to the policy requirements under the ASX listing rules and policies with respect to stock incentive plans. In addition, TSXV asked that the Company obtain shareholder approval of the SIP, Accordingly, shareholder approval for the SIP is being sought for the purposes of the TSXV approval and the ASX Listing Rules, and separately, shareholder approval for the specific grants to the Directors are being sought under this Notice, as required by ASX Listing Rules 10.11 and 10.14 (as applicable).

Rationale for the Plan

The Board believes that the Plan will:

(a) encourage Participants to focus on creating value for Shareholders;

(b) link reward with the achievement of long-term performance in the Company;

(c) encourage Participants to remain with the Company by providing them with the opportunity to hold and benefit from a financial stake in the Company; and

(d) assist in the Company attracting high calibre employees.

The Rules of the Plan

Participants – as that term is defined in the Glossary - who are selected by the Board or the Plan Committee, will be eligible to participate in the Plan. In accordance with the terms of an offer as set out in a Letter of Offer (see Annexure B to the Rules) (each an **Offer**), each Participant will be offered Options and/or Restricted Stock Units under the provisions of the Rules.

Options

Participants will be entitled to exercise any of the Options that they hold at any time during the exercise period applicable to those Options, subject to the terms as stated in the applicable Letter of Offer. The Company will apply for the Official Quotation of all Shares issued as a result of the execise of an Option, on both the ASX and the TSX-V.

Each Share issued and allotted on the exercise of any Option granted under the Plan will rank pari passu in all respects with all other Shares previously issued, whether or not under this Plan, and in particular, will entitle the holders of those Shares to participate fully in:

(a) all dividends declared by the Company after the date of allotment of such Share; and

(b) all issues of securities made or offered pro rata to Shareholders after the date of allotment of such Share.

Restricted Stock Units

In addition or as an alternative to the offer and issue of Options under the Plan, the Borad or Plan Committee may offer to a Participant, the issue of Restricted Stock Units. Once issued, the Participant that receives and holds Restricted Stock Units will:

(a) hold the Restricted Stock Units for the duration of the applicable Restriction Period;

(b) not seek to Convert any Restricted Stock Unit unless and until all of the Conversion Conditions attaching to that Restricted Stock Unit have been performed or otherwise satisfied or, in its absolute discretion, waived by the Board or Plan Committee; and

(c) accept, in consideration of the Disposal of a Restricted Stock Unit upon and as a consequence of the Conversion of a Restricted Stock Unit into a Share, either, and as determined by the Plan Committee:

  (i) the issue of a Share or Shares in the name of the Participant;

  (ii) a cash payment to the Participant that is equal to the product of the number of Shares that would have otherwise been issued to the Participant and the VWAP of a Share, as determined at the date of Conversion; or

  (iii) a combination of the two forms of consideration referred to in sub-paragraphs (c)(i) and (c)(ii) immediately above.

The terms and conditions upon which the Options and/or Restricted Stock Units referred to above are proposed to be issued upon adoption of Resolution 1, may not be the same as the terms and conditions upon which the Company may elect to offer and issue other Securities under the Rules at any any subsequent time.

Buyback Event

Upon the occurrence of a Buyback Event – as that term will be specified in a Letter of Offer to a Participant - and in respect of the number and class of Securities specified in the provisions of that Letter of Offer or Restricted Offer, that Participant will be required to Dispose or if applicable procure the Disposal by its Authorised Nominee, of those Securities as directed by the Company and otherwise in accordance with the provisions of that Letter of Offer and the Rules.

Holding Lock Period

Upon acceptance of an Offer of an Option and/or a Restricted Stock Unit, the relevant Participant will be deemed to have agreed that the provisions of a Holding Lock, if specified as being applicable in the terms of the Offer, will apply to any and all Shares issued as a result of the exercise of that Option or the Conversion of that Restricted Stock Unit. Those provisions will include:

(a) the Holding Lock will be for a period that expires on and includes the first anniversary of the date of issue of the Shares or such other period as may be determined by the Plan Committee (**Holding Lock Period**);

(b) for the duration of the Holding Lock Period:

  (i) all Shares issued under the Plan will not be capable of being Disposed of, provided that the Plan Committee may provide in the Letter of Offer applicable to any Share, that the relevant Participant may Dispose of a certain percentage of the Shares on a monthly or quarterly basis during the Holding Lock Period, and on such other terms and conditions as are specified in the applicable Letter of Offer;

  (ii) the Participant who holds those Shares may not create any Security Interest over or in respect of any of those Shares (other than a Security Interest in favour of the Company or as agreed to in writing by the Plan Committee);

  (iii) each Participant:

    A. agrees that all of those Shares will be subject to a Holding Lock for the duration of the applicable Holding Lock Period;

    B. undertakes to participate in and comply with the provisions of any escrow arrangements that the Plan Committee determines is required or appropriate in order to ensure that the Participant complies with the provisions of the applicable Holding Lock; and

    C. undertakes to comply with the provisions of the Holding Lock and not request removal or variation of the terms or conditions of that Holding Lock,

  other than in circumstances contemplated in Annexure A of the Rules; and

(iv) the Company may implement any procedure it considers appropriate to restrict the Participant from Disposing of or otherwise dealing with any Shares while the Holding Lock is in place.

Financial Assistance

Subject to the requirements of any Applicable Law, the Company may provide financial assistance to a Participant in connection with the issue or exercise of any right attaching to a Security, or a class of a Security under the Plan.

Rights of Participants

The Rules:

(a) do not confer on any Participant who is an Employee the right to receive any Security, other than as expressly provided for in accordance with these Rules;

(b) do not confer on a Participant the right to continue as an Employee or otherwise affect any of the terms and conditions upon which an Employee is and continues to be employed by any member of the Group;

(c) do not affect any rights which any member of the Group may have to terminate the employment or engagement of a Participant;

(d) may not be used to increase damages in an action brought against any member of the Group in respect of that termination.; and

(e) do not confer on a Participant any right to attend or vote at general meetings of the Shareholders or of any other shareholders of any member of the Group.

Shareholders are advised that the above is a summary of the material priovsions of the Rules. It does not purport to be a complete analysis if the Rules. A copy of the complete Rules accompanies this Notice of Meeting. Shareholders are advised to read it in full, before voting on any of the Resolutions. If in doubt about the meaning or effect of any of the Rules, it is recommended that the Shareholder seeks advice from an accountant, solicitor or other professional advisor.

2. APPLICABLE APPROVAL REQUIREMENTS UNDER ASX LISTING RULES AND CORPORATIONS ACT

Approval for the purposes of the ASX Listing Rules

(a) ***Listing Rule 7.1***

A listed company must not issue or agree to issue equity securities exceeding 15% of its ordinary securities on issue in the previous 12 months unless it obtains the approval of its shareholders (**15% Rule**). An exception to Listing Rule 7.1 is that any issue under an employee incentive scheme within three years of the scheme being approved by members will not be counted when determining whether the 15% limit has been exceeded (Exception 13 in Listing Rule 7.2).

Accordingly, Shareholders are asked to give the Board approval to operate the Plan so that any Shares or Securities convertible into a Share, such as a Restricted Stock Unit, that are issued under the Plan, are excluded from an application of the 15% Rule.

(b) ***Listing Rule 10.11***

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company, must not issue equity securities to persons in a position of influence without the approval of shareholders.

The Board proposes to invite a Director to subscribe for 1,000,000 Restricted Shares, and therefore seeks Shareholder approval for the proposed issue under ASX Listing Rule 10.11.

(c) ***Listing Rule 10.14***

Listing Rule 10.14 provides that an entity must only allow Directors or their associates to acquire securities under an employee incentive scheme with the approval of shareholders and provided the Notice of Meeting complies with the requirements set out in ASX Listing Rules 10.15 or 10.15A.

The Plan is an employee incentive scheme for the purposes of the ASX Listing Rules.

The Board proposes to invite each of the Directors referred to above to acquire Options under the Plan, and therefore seeks Shareholder approval to that proposed invitation under ASX Listing Rule 10.14.

Approval for the purposes of the Corporations Act

(d) ***Financial benefit to a related party***

The Directors consider that the participation by each of the Directors in the Plan constitutes the giving of a "financial benefit" to a related party of the Company under the provisions of Chapter 2E of the Corporations Act. Accordingly, the Board has decided to seek the requisite approval of Shareholders in accordance with the requirements under Section 208 of the Corporations Act.

(e) ***Employee share scheme buy-back***

Section 257B(1) of the Corporations Act sets out the procedure for various forms of share buy-back, including an 'employee share scheme buy-back'. In order for the Company to undertake a buy-back of Shares under the SIP (eg in situations where Shares are forfeited by Participants in accordance with their terms of issue) using the employee share scheme buy-back procedure under the Corporations Act, the SIP must be approved by shareholders.

Accordingly, shareholders are asked to approve the SIP in order for the Company to undertake a buy-back of Shares under the SIP using the employee share scheme buy-back procedure.

(f) ***Enable the Company to take security over its own shares***

Section 259B(1) of the Corporations Act prohibits a company taking security over shares in itself or in a company that controls it, unless one of the exceptions in subsections 259B(2) or 259B(3) applies. Section 259B(2) provides that a company may take security over shares in itself under an employee share scheme that has been approved by a resolution passed at a general meeting of the company.

(g) ***Financial assistance***

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- giving the assistance does not materially prejudice the interests of the company or its shareholders or the company's ability to pay its creditors; or
- the assistance is approved by shareholders under section 260B; or
- the assistance is exempted under section 260C.

Typically, such financial assistance would take the form of loans to Participants, which would be interest and fee free and made on a limited recourse basis.

Section 260C of the Corporations Act provides for certain specific instances of exempted financial assistance, including a special exemption for employee share schemes that have been approved by a resolution passed at a general meeting of the company (section 260C(4)).

Whilst the Board does not believe that the provision of financial assistance to Participants to enable them to participate in the SIP would materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors, the Board has recommended that the Shareholders approve the Plan for a number of purposes, including to ensure that the Plan qualifies for the special exemption under section 260C(4) of the Corporations Act.

(h) ***Approval of potential termination benefits***

Section 200B of the Corporations Act restricts the benefits that can be given to persons who hold a 'managerial or executive office' (as defined in the Corporations Act) on leaving their employment with a company. Specifically, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office in the company if the benefit is approved by shareholders or an exemption under the Corporations Act applies.

The term '*benefit'* has a wide meaning and may possibly include benefits resulting from the Board exercising discretions under the Rules when a Participant ceases to be employed by the Company.

Specifically, where a Participant has ceased their employment before their Shares have vested, the Board may in certain circumstances exercise its discretion to determine that some or all of the Shares will vest (and determine the basis on which vesting will occur), having regard to the relevant performance hurdles at the time the Participant's employment ceases. The exercise of these discretions may constitute a 'benefit' for the purposes of section 200B of the Corporations Act.

The Board, therefore, seeks Shareholder approval for the exercise of the Board's discretion in respect of any Participant in the Plan who holds:

- a managerial or executive office in the Company at the time of cessation of their employment or at any time in the preceding three years; and

- unvested Shares under the Plan at the time of cessation of their employment.

Provided Shareholder approval is given, the value of these benefits will not be counted towards the cap in the termination benefits that can be given to a Participant without Shareholder approval.

The Plan Committee does not, however, have discretion to vest any Shares if the Participant is a 'Bad Leaver' under the rules of the Plan. The Plan Committee will determine if a Participant is a Bad Leaver, which could include a person who has been dismissed for fraudulent or dishonest behaviour, who has engaged in grave misconduct or recklessness in the discharge of their duties, or who has committed any serious breach of their employment agreement. In those circumstances, the Participant's unvested Shares will be automatically forfeited.

The Plan Committee is only permitted to exercise this discretion in a 'Good Leaver' or a 'Leaver' scenario. The Plan Committee will determine if a Participant is a Good Leaver, which could include a person whose employment ceases in certain defined circumstances such as redundancy, retirement by agreement of the Board, death, ill-health or permanent disability. If the Plan Committee determines that a Participant is neither a Good Leaver nor a Bad Leaver, they will be considered a Leaver.

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's share price at the time of vesting and the number of Shares that the Board decides to vest.

The following additional factors may also affect the benefit's value:

- the Participant's length of service and the portion of any relevant performance periods that have expired at the time they cease employment;
- the Participant's total fixed remuneration at the time grants are made under the Plan and at the time they cease employment; and
- the number of unvested Shares that the Participant holds at the time they cease employment.

3. RESOLUTION 1 - ADOPTION OF AUSTRAL GOLD LIMITED STOCK INCENTIVE PLAN

As set out in paragraph 1 above, the Board proposes to adopt a new employee incentive scheme known as the Austral Gold Limited Stock Incentive Plan (**SIP and Plan**), pursuant to which Options and/or Restricted Stock Units may be offered to selected directors and employees of the Company.

The rationale, key features and material terms of the SIP is set out in paragraph 1 above.

A full copy of the Rules of the Plan can be accessed in Annexure B of this Notice of Meeting.

Relevant parts of the Corporations Act which may be impacted by the Plan is set out in paragraph 2 above.

ASX Listing Rules

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

If this Resolution is approved by Shareholders for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13(b)), it will have the effect of enabling the securities issued by the Company under the Incentive Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (**15% capacity**) during the next three year period.

If this Resolution is not approved by Shareholders, the Company will not adopt the SIP, and the Options will not be issued.

In accordance with the provisions of ASX Listing Rule 7.2 (exception 13(b)), the Company advises that:

(a) A summary of the material terms of the SIP is set out in paragraph 1 above. Furthermore, as a matter of completeness and disclosure, a full copy of the Rules of the Plan can be accessed in Annexure B of this Notice of Meeting.

(b) This is the first time that shareholder approval is being sought for the adoption of the SIP. Accordingly, no equity secuirities have yet been issued under the SIP.

(c) The maximum number of equity securities proposed to be issued under the SIP following approval of Resolution 1 is 5% of the issued capital as of the date of this Notice, being 28,303,270 as of 12 November, 2020 (for the purposes of ASX Listing Rule 7.2 (exception 13(b)). This is simply

a maximum number, and does not in any way indicate an intention to exhaust this amount during the next three year period.

(d) A Voting Exclusion Statement relating to this Resolution is provided in Section 3 above.

Board Recommendation: The Directors recommend that Shareholders vote for Resolution 1

4. RESOLUTIONS 2 TO RESOLUTION 8 (INCLUSIVE) – ISSUE OF SECURITIES TO RELATED PARTIES UNDER THE STOCK INCENTIVE PLAN

The Company seeks to invite the following Participants (or their respective Authorised Nominees), subject to shareholder approval that are sought under Resolutions 2-8 of this Notice, to participate in the SIP by subscribing for the following Options:

Proposed Recipient	Options
Eduardo Elsztain	2,000,000
Saul Zang	2,000,000
Pablo Vergara del Carril	500,000
Robert Trzebski	500,000
Ben Jarvis	500,000
Wayne Hubert	2,000,000
Stabro Kasaneva	2,000,000
Total	**9,500,000**

Information required by ASX Listing Rules

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme:

(a) a director of the Company;

(b) an associate of a director of the Company; or

(c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issue of Options under the SIP falls within Listing Rule 10.14.1 (a director of the Company) above and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

Resolutions 2-8 (inclusive) seeks the required shareholder approval to the proposed issue of Options and for the purposes of Listing Rule 10.14.

If Resolutions 2-8 (inclusive) are passed, the Company will be able to proceed with the proposed issue of Options under the SIP.

If Resolutions 2-8 (inclusive) are not passed, the Company will not be able to proceed with the proposed issue of Options under the SIP, and therefore, the Company may become less competitive when looking to secure and/or retain experienced directors.

In accordance with the provisions of ASX Listing Rule 10.15, the Company advises that:

(a) It is proposed that, subject to the approval of Resolution 1, the following Participants each of whom are a Director, or their respective Authorised Nominees, will be offered the following number of Options under the Rules:

Board of Directors

Proposed Recipient	Options
Eduardo Elsztain	2,000,000
Saul Zang	2,000,000
Pablo Vergara del Carril	500,000
Robert Trzebski	500,000

Ben Jarvis	500,000
Wayne Hubert	2,000,000
Stabro Kasaneva	2,000,000
Total	**9,500,000**

(b) Each of the Participants satisfy Listing Rule 10.14.1 (a director of the Company), as each of them are an existing Director of the Company.

(c) The number of Options proposed to be issued to each of the Directors is noted in the above table.

(d) The current total remuneration package per annum of each of the Directors referred to above is a combination of the below salary/director fees, and the value of the Options, (for the year when issued:

Director	Salary/Director fees	Total value of proposed Options grant
Wayne Hubert	US$144,000	A$310,600
Eduardo Elsztain	US$100,000	A$310,600
Saul Zang	US$50,000	A$310,600
Pablo Vergara del Carril	US$50,000	A$77,650
Robert Trzebski	US$50,000	A$77,650
Ben Jarvis	US$50,000	A$77,650
Stabro Kasaneva	US$355,127 *	A$310,600

* Mr Kasaneva's remuneration is shown in equivalent USD paid in 2019 and is paid in Chilean pesos but with no foreign exchange adjustment clause. Mr. Kasaneva is also eligible for a performance bonus.

(e) This is the first time that shareholder approval has been sought to adopt the SIP. Accordingly, no Securities have been previously issued to any of the above mentioned persons under the SIP.

(f) A summary of the material terms of the Options are set out in Annexure A of this Notice of Meeting. The Company has decided to choose this type of equity security as it is unlisted (therefore has no immediate dilutionary impact on shareholders) and the terms can be structured to assist in aligning the interests of the holders with Shareholders of the Company..

The value that the Company attributes to each Option is provided in the table below (which was obtained from an independent valuation using the Black Scholes methology):

	Tranche 1 Options	Tranche 2 Options	Tranche 3 Options
Methodology	**Black Scholes**	**Black Scholes**	**Black Scholes**
Deemed grant date	12 October 2020	12 October 2020	12 October 2020
Deemed vesting date	12 October 2021	12 October 2022	12 October 2023
Deemed expiry date	12 October 2023	12 October 2024	12 October 2025
Share price at deemed grant date (A$)	0.2500	0.2500	0.2500
Exercise price (A$)	0.2000	0.2000	0.2000
Risk-free rate (%)	0.1451	0.2904	0.2904
Volatility (%)	80	80	80
Fair value per Option (A$)	**0.1416**	**0.1563**	**0.1680**

As noted above, an independent valuation was obtained for the value of each Option. The value of each Tranche 1 Option is A$0.1416 per Option, the value of each Tranche 2 Option is A$0.1563 per Option, and the value of each Tranche 3 Option is A$0.1680.

(g) All Options will be issued no later than 3 years after the date of the Meeting.

(h) The issue price of all Options will be nil.

(i) A summary of the Rules of the Plan is stated in Paragraph 1 above, and a complete copy of the Rules can be accessed in Annexure B of this Notice of Meeting.

(j) Pursuant to the terms of the Plan, financial assistance can be provided in relation to the Options, which includes the exercise of Options. Clause 15 of the Plan states that, subject to the requirements of any applicable law, the Company may provide financial assistance to an eligible person in connection with the issue of exercise of any right attaching to a security, or a class of a security under the Plan.

(k) Details of all Securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan , and who were not named in the Notice will not participate in that issue until approval is obtained under that rule.

(l) A Voting Exclusion Statement relating to Resolutions 2-8 (inclusive) are provided in Section 3 above.

Information required by Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

(a) the giving of the financial benefit falls within one of the exceptions to the provisions; or

(b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Options (which is a type of equity security, for the purposes of the ASX Listing Rules) constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

As each of the recipients are current Directors of the Company, each of them are a "related party" of the Company. Therefore, the proposed issue of Options to each of them requires Shareholder approval under Chapter 2E of the Corporations Act.

The following information in relation to the issue of the Options to each of the Directors are provided to Shareholders for the purposes of Chapter 2E of the Corporations Act:

Identity of the related party

(a) The related parties to to whom Resolutions 2 to 8 (inclusive) would permit the financial benefit to be given are each of the current Directors of the Company (as set out in the table above).

Nature of the financial benefit

(b) The financial benefit is in the form of Options, which is a type of equity security (as defined by ASX Listing Rules), pursuant to the terms of the SIP, a type of employee incentive scheme.

(c) A summary of the material terms of the Options are set out in Annexure A of this Notice of Meeting.

(d) The Options will be issued for nil cash consideration. If and when the Options are exercised, any proceeds received from the exercise will be used for working capital and other operational expenses.

(e) The Options are proposed to be issued to each of the Directors as part of their remuneration, which is not uncommon for Directors of listed entities to receive. The issue of incentive securities (such as Options) could be considered a cost effective and efficient reward, as opposed to alternative forms of incentives, such as additional cash payments. Accordingly, the issue of Options may assist the Company preserve its cash reserves.

(f) The Company has not had any employee incentive scheme in place for the past 17 years. With this in mind, the quantum of Options was considered appropriate in light of the fact that the Directors have not been previously rewarded any incentives (under an employee incentive

scheme), and in light of each of the Directors experience, skill and role in the Company. The fair value of each tranche of Options is set out in the above table (on page 20).

Directors'recommendation and interest in the outcome

(g) As Resolutions 2 to 8 (inclusive) relate to each of the current Directors' remuneration, given the potential conflict in the Directors making a recommendation on each other's remuneration, the Directors have refrained from making a recommendation in relation to these Resolutions.

(h) Mr Elsztain has a material personal interest in the outcome of Resolution 2. Mr Zang has a material personal interest in the outcome of Resolution 3. Mr Vergara del Carrill has a material personal interest in the outcome of Resolution 4. Mr Trzebski has a material personal interest in the outcome of Resolution 5. Mr Jarvis has a material personal interest in the outcome of Resolution 6. Mr Hubert has a material personal interest in the outcome of Resolution 7. Mr Kasaneva has a material personal interest in the outcome of Resolution 8.

Disclosure of Directors' total remuneration packages

(i) Each of the Directors'current total remuneration is set out in the above table (on page 20).

Dilutionary effect to existing Shareholders'interest

(j) The nature of the financial benefit are unlisted Options, which could be exercised to Shares of the Company. Accordingly, from the date of issue, and assuming that the Options remain unexercised, on an undiluted basis, the issue of Options to each of the Directors will not have any immediate dilutionary effect on existing Shareholders' interests.

Existing and potential relevant interests of related party

(k) The following table sets out each of the current and potential relevant interests, in the event that Shareholder approval is obtained for Resolutions 2 to 8 (inclusive) of this Notice:

Director	Current Holdings			% of total issued capital[1]	Projected Holdings			% of total issued capital[2]
	Shares	Options	Total		Shares	Options	Total	
Eduardo Elsztain	451,585,510	9,615,500	461,201,010	80.04%	451,585,510	11,615,500	463,201,010	78.06%
Saul Zang	1,640,763	136,730	1,777,493	0.31%	1,640,763	2,136,730	3,777,493	0.64%
Pablo Vergara del Carril	68,119	-	68,119	0.01%	68,119	500,000	568,119	0.10%
Robert Trzebski	-	-	-	0.00%	-	500,000	500,000	0.08%
Ben Jarvis	-	-	-	0.00%	-	500,000	500,000	0.08%
Wayne Hubert	1,750,000	-	1,750,000	0.30%	1,750,000	2,000,000	3,750,000	0.63%
Stabro Kasaneva	6,881,230	-	6,881,230	1.19%	7,881,230	2,000,000	9,881,230	1.67%

Notes

1. These percentages are calculated on a fully diluted basis, based on the Company's current capital structure which consists of 566,065,407 Shares.

2. These percentages are calculated on a fully diluted basis, based on the Company's projected capital structure (assuming that Shareholder approval is obtained for all Resolutions in this Notice) which is projected to consist of 570,065,407 Shares and 23,341,382 Options. These percentages sets out the projected holding if all of the Options are exercised, of which, there is no guarantee. Fully diluted shares includes an additional 3,000,000 Restricted shares to be issued to senior management and an additional 3,700,000 options to be issued to employees.

Valuation of Options

(l) The Options (that are subject of Resolution 2 to 8 (inclusive) are not currently quoted on ASX and as such, have no market value. Each Option grants the holder a right to subscribe for one Share upon exercise of each Option and payment of the exercise price described above. Accordingly, the Options may have a present value at the date of their grant.

The Options may acquire future value dependent upon the extent to which the market value of Shares exceeds the exercise price of the Options during the term of the Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

(i) The period outstanding before the expiry date of the options;

(ii) The exercise price of the options relative to the underlying price or value of the securities into which they may be converted;

(iii) The proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);

(iv) The value of the shares into which the options may be converted; and

(v) Whether or not the options are listed (i.e. readily capable of being liquidated) and so on.

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black Scholes methodology).

The Company has sought an independent valuation of the Options from Stantons International Securities. The method used to value the Options was the Black Scholes methodology, which is the most widely used and recognised model for pricing options. The value of an option calculated is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk free interest rate, the volatility of the Company's underlying Share price and expected dividends.

The value that the Company attributes to each Option is provided in the table above (which was obtained from an independent valuation using the Black Scholes methology) (on page 20).

Based on assessed fair value of the Options in the independent valuation report, the Company has adopted an indicative value of $0.1416 per Tranche 1 Option, $0.1563 per Tranche 2 Option and $0.1680 per Tranche 3 Option.

AASB 2 "Share Based Payments" requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under the accounting standards this amount will be expensed in the statement of financial performance. Where the grant date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management's assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

(m) There is no other information known to the Company or any of the Directors save and except as follows:

(i) Opportunity cost

The opportunity costs and benefits foregone by the Company issuing the Options to the Directors or their nominees, is the potentially dilutionary impact on the issued Share capital of the Company (in the event that the Options are exercised). Until exercised, the issue of the Options will not impact upon the number of Shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of the Shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of experienced and skilled Directors on appropriate incentive terms. It is also considered that the potential increase of value in the Options is dependent upon a concomitant increase in the value of the Company generally.

(ii) Trading history of the Shares

As of 4 November 2020, the closing price of the Shares on ASX was $0.23. Over the past 12 months, the 52 week high was $0.410 per Share, and the 52 week low was $0.065 per Share.

2. RESOLUTION 9 – ISSUE OF RESTRICTED SHARES TO STABRO KASANEVA

The Company is proposing to issue 1,000,000 Restricted Shares to Stabro Kasaneva to reward Mr Kasaneva for his past performance, and incentivise him for future performance, as Chief Executive Officer of the Company.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

(a) a related party;

(b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

(c) a company who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

(e) a person whose relationship with the Company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issue of Restricted Shares falls within Listing Rule 10.11.1 (a related party) above and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolution 9 seeks the required shareholder approval to the proposed issue of Restricted Shares and for the purposes of Listing Rule 10.11.

If Resolution 9 is passed, the Company will be able to proceed with the proposed issue of Restricted Shares, and therefore, be able to remunerate Mr Kasaneva.

If Resolution 9 is not passed, the Company will not be able to proceed with the proposed issue of Restricted Shares, and therefore, the Company may be required to consider less cash-effective measures to remunerate Mr Kasaneva.

In accordance with the provisions of ASX Listing Rule 10.13, the Company advises that:

(a) The proposed receipient is Stabro Kasaneva, Executive Director and Chief Executive Officer of the Company.

(b) Mr Kasaneva satisfies Listing Rule 10.11.1 as he is a related party (current Director of the Company).

(c) It is proposed that, subject to the approval of Resolution 9, Mr Kasaneva will be issued with 1,000,000 Restricted Shares.

(d) The Restricted Shares will rank pari passu in all respects with all other Shares previously issued by the Company. The Restricted Shares, however, will have a voluntary escrow applied as follows:

  (i) none of the Proposed Restricted Shares may be sold or otherwise dealt with within one year from the date of their issue (**Issue Date**);

  (ii) 1/3 in number of the Proposed Restricted Shares may be sold or otherwise dealt with after the first anniversary of the Issue Date;

  (iii) 1/3 in number of the Proposed Restricted Shares may be sold or otherwise dealt with after the second anniversary of the Issue Date; and

  (iv) 1/3 in number of the Proposed Restricted Shares may be sold or otherwise dealt with after the third anniversary of the Issue Date.

  The Company will apply for the Official Quotation of the Restricted Shares, on both the ASX and the TSX-V.

(e) The Restricted Shares will be issued for nil consideration and although the value of the Company's shares on 4 November, 2020 was $0.225 per share, the deemed value that the Company attributes to each Restricted Share will be the closing price of the Company's Shares traded on the ASX when issued.

(f) The Restricted Shares will be issued no later than 1 month after the date of the Meeting.

(g) No funds will be raised as a result of the grant and issue of Restricted Shares. The purpose of the issue of Restricted Shares is to remunerate and incentivise Mr Kasaneva in his role as Chief Executive Officer of the Company.

(h) The current total remuneration package per annum of Mr Kasaneva is:

Director	Salary/Director fees	Total deemed value of proposed Restricted Shares grant
Stabro Kasaneva	US$355,127 *	A$225,000 **

* Mr Kasaneva's remuneration is shown in equivalent USD paid in 2019 and is paid in Chilean pesos but with no foreign exchange adjustment clause. Mr. Kasaneva is also eligible for a performance bonus.

** Based on value of the Company's shares on 4 November, 2020 which was $0.225 per share. The deemed value that the Company attributes to each Restricted Share will be the closing price of the Company's Shares traded on the ASX when issued.

(i) None of the Restricted Shares are being issued under an agreementr.

(j) A Voting Exclusion Statement relating to Resolution 9 is provided in Section 3 above.

Board Recommendation: The Directors (with Mr Kasaneva excluded) recommend that Shareholders vote in favour of Resolution 9.

ENQUIRIES: Shareholders may contact David Hwang, Company Secretary if they have any queries in respect of the matters set out in these documents.

c/- Automic Group
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Australia

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5. GLOSSARY

Definitions

AEDT means Australian Eastern Daylight Time, Sydney, New South Wales, Australia.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the Listing Rules of ASX.

Authorised Nominee means any person or entity who or that is nominated by a recipient of any Security issued or proposed to be issued under the Plan, to be the actual allottee of that Security.

Board means the Board of Directors of the Company as constituted from time to time.

Closely Related Parties, in relation to a member of KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with the company or any other member of the Group, and any company the member controls.

Company or **Austral Gold** means Austral Gold Limited ACN 075 860 472.

Conversion means the conversion of a Restricted Stock Unit into a Share upon the occurrence of the Conversion Conditions and otherwise in accordance with the Rules

Corporations Act means the Corporations Act 2001 (Cth).

Director Resolution means any of Resolution 2, Resolution 3, Resolution 4, Resolution 5, Resolution 6, Resolution 7 and Resolution 8 and **Directors Resolutions** means any two or more of those Resolutions.

Director mean a director of the Company.

Documents means each of the Notice, Explanatory Statement and the Proxy Form and all other documents that accompany each other when sent to each Shareholder.

Explanatory Statement means the explanatory statement accompanying the Notice, as set out in Section 4 of this Document.

Group means the Company and each company that is a subsidiary or related body coropoarte of the Company.

Key Management Personnel or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of Austral or any other member of the Group, whether directly or indirectly. Members of the KMP include Directors and certain senior executives.

Meeting means the meeting convened by the Notice.

Notice means the notice of Meeting that accompanies and forms part of the Documents.

Option means an option, if exercised in accordance with its terms, to acquire one Share in the Company.

Ordinary Resolution means a resolution passed by more than 50 per cent. of the votes at a general meeting of Shareholders.

Participant means a participant in the Plan and includes:

(a) any full-time or part-time employee of any member of the Group;

(b) any casual employee of any member of the Group who:

  (i) has been employed by a member of the Group for more than 1 year; and
  (ii) the Company regards as the equivalent of a full-time or part-time employee;

(c) a contractor who has:

  (i) been engaged by the Company or any other member of the Group for more than one (1) year; and
  (ii) received eighty per cent (80%) or more of his or her income as a contractor during the period of that engagement from the Company or any other member of the Group;

(d) a person or entity who or that:

  (i) has been nominated by an Eligible Person to be issued with and hold any Security offered or issued under, or otherwise contemplated by, the Plan including the Rules; and

(ii) is Controlled by that Eligible Person at all times whilst that person or entity holds any such Security.

(e) a Legal Personal Representative of a person who experirnces a Buyback Event

Plan Committee means a committee of Directors and/or senior management of the Group, as delegated by the Board to administer the operation of the Plan.

PT means Pacific Time, Vancouver, British Columbia, Canada.

Register means any shareholders or other register maintained by or for the Company.

Registered means registered by the Company in any Register.

Resolution means a resolution that is set out in the Notice.

Restricted Share means a Share as more particularly described in the Explanatory Statement, Section 4, Paragraph 5.

Restricted Stock Unit means an unsecured and conditional obligation given and owed by the Company to a Participant to issue a Share to that Participant or its nominee upon satisfaction of the Conversion Conditions, and which obligation comes into existence upon the making and acceptance of a Restricted Offer, each in accordance with the provisions of that obligation, which include the provisions of Rule 9.

Rules means the terms and conditions of the Austral Gold Limited Stock Incentive Plan, a copy of which forms one of the Documents, as varied from time to time.

Security means an Option, Restricted Stock Unit or any other security issued under the Plan.

Share means a fully paid ordinary share in the issued capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Computershare Investor Services Pty Limited.

TSX-V means TSX Venture Exchange.

VWAP means the volume weighted average price of trading in Shares on the ASX market over a specified period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

Interpretation

In these Documents, unless the context requires otherwise:

(a) any capitalised term used in a Document that is not expressly defined in another Document, will have the meaning given to that term in the Rules for the purposes of all Documenmts;

(b) reference to a numbered Rule is a reference to that Rule, as numbered in the Rules;

(c) a reference to a word includes the singular and the plural of the word and vice versa;

(d) a reference to a gender includes any gender;

(e) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;

(f) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a governmental agency;

(g) headings are included for convenience only and do not affect interpretation;

(h) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;

(i) a reference to a thing includes a part of that thing and includes but is not limited to a right;

(j) the terms “included”, “including” and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;

(k) a reference to a statute or statutory provision includes but is not limited to:

(i) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;

(ii) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and

(iii) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;

(l) reference to "$", "a$", "Australian dollars" or "dollars" is a reference to the lawful tender for the time being and from time to time of the commonwealth of Australia; and

(m) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise.

ANNEXURE A – MATERIAL TERMS OF OPTIONS

(a) The material terms of each of the Options referred to in the Director Resolutions will be:

(i) nil amount payable by a Participant upon acceptance of the Offer to be granted Securities under the Plan;

(ii) exercise price of A$0.20 per Option; and

(iii) all Options will vest, and will be able to be exercised during a period commencing on and including the first day after the applicable Vesting Date and ending on and including the date, as each is disclosed in the following table:

Number of Options	Vesting Date	End of Exercise Period
One third (in number) of the Options (**First Tranche Options**)	first anniversary of Option Issue Date	the third anniversary of the Date of Grant of the First Tranche Options
One third (in number) of the Options (**Second Tranche Options**)	second anniversary of Option Issue Date	the fourth anniversary of the Date of Grant of the Second Tranche Options
One third (in number) of the Options (**Third Tranche Options**)	third anniversary of Option Issue Date	the fifth anniversary of the Date of Grant of the Third Tranche Options

(iv) Participants will be entitled to exercise any of the Options that they hold at any time during the exercise period applicable to those Options.

(v) In the event that an Option Holder or the person who nominated that person or entity to be issued with any or all of the Options under the provisions of the Plan, ceases to be:

A. an employee or full time independent contractor of the Company or any Associated Company;

B. a director of the Company or any Associated Company; or

C. otherwise engaged by or associated with the Company or any Associated Company in a manner deemed to be sufficient by the Board to enable that Option Holder or person to participate in the Plan,

any Options that have not vested in that Option Holder prior to that date of cessation will, on and from that date of cessation no longer be permitted to vest in that Option Holder and be of no further effect or value.

(vi) All the Options referred to in the Director Resolutions may be subject to a holding lock period which must not be longer in duration than and including the first anniversary.

(b) The Company will apply for the Official Quotation of all Shares issued as a result of the exercise of an Option, on both the ASX and the TSX-V.

(c) Each Share issued and allotted on the exercise of any Option granted under the Plan will rank pari passu in all respects with all other Shares previously issued, whether or not under this Plan, and in particular, will entitle the holders of those Shares to participate fully in:

(i) all dividends declared by the Company after the date of allotment of such Share; and

(ii) all issues of securities made or offered pro rata to Shareholders after the date of allotment of such Share.

(d) None of the Options referred to in the Director Resolutions are being issued under an agreement, other than the Plan, or under or to fund a reverse takeover.

ANNEXURE B – COPY OF THE RULES OF THE PLAN

Austral Gold Limited

ABN 30 075 860 472

Rules of Stock Incentive Plan

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Austral Gold Limited

ABN 30 075 860 472

Rules of Stock Incentive Plan

1. Definitions and Interpretation

1.1 Definitions

In these Rules, unless the contrary intention appears:

Accelerated Vesting Event means the occurrence of a Control Event.

Applicable Law means one or more, as the context requires of:

(1) the Corporations Act;

(2) Corporations Regulations;

(3) the Listing Rules;

(4) the ASX Settlement Operating Rules;

(5) the Tax Act;

(6) the Tax Administration Act;

(7) the TSXV Corporate Finance Policies;

(8) any other applicable practice note, policy statement, class order, declaration, guideline, policy, procedure, ruling or guidance note made to clarify or expand any of sub-paragraphs (1) to (6) above;

(9) the Constitution; and

(10) all applicable federal, provincial, territorial, state, regional and local laws (statutory or common), rules, ordinances, regulations, grants, orders, directives, judgments, decrees, and other governmental restrictions, whether legislative, municipal, administrative or judicial in nature s and any applicable securities laws or regulations, and any applicable rules of any stock exchange, in any jurisdiction in which an Associated Company is located or a Participant resides.

Application Form means the form that the Board determines is to be used by the Company to make an offer to an Eligible Person to participate under the Plan.

ASIC means the Australian Securities and Investments Commission.

Associated Company means at any time any body corporate that is either:

(1) a subsidiary of the Company within the meaning of section 46 of the Corporations Act; or

(2) a related body corporate of the Company within the meaning of section 50 of the Corporations Act.

ASX Settlement Operating Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

ASX means ASX Limited ACN 008 624 691 or a market conducted by it (as the context requires).

ASX Business Rules means the business rules which govern the operations and behaviour of participating organisations of ASX and its affiliates.

Authorised Nominee means a person or entity who or that:

(1) has been nominated by an Eligible Person to be issued with and hold any Security offered or issued under, or otherwise contemplated by, the Plan including the Rules; and

(2) is Controlled by that Eligible Person at all times whilst that person or entity holds any such Security.

Board means all or some of the Directors of the Company acting as a board or, where appropriate,

a committee of the board.

Bonus Issue means a Pro Rata Issue of Shares to holders of Shares for which no consideration is payable by them.

Business Day has the meaning given to that term in the Listing Rules.

Buyback Event means any of the following events:

(1) the occurrence of a Special Circumstance;

(2) the termination of the employment or engagement of a Participant by any member of the Group;

(3) a Participant experiencing an Insolvency Event;

(4) the occurrence of a Control Event in respect of any member of the Group;

(5) the occurrence of a Control Event in respect of any Participant;

(6) a person or entity that was nominated, consented to or authorised by a Participant to be the holder of a Security experiencing an Insolvency Event whilst being the holder of a Security; or

(7) in respect of a Participant:

(a) the voluntarily termination by the Participant of his or her employment by, or terms of engagement with, any member of the Group;

(b) the termination of his or her employment by, or terms of engagement with, any member of the Group for Cause; or

(c) the commission of an act of fraud, defalcation, gross misconduct or gross negligence in relation to the affairs of any member of the Group.

Cause means in respect of a Participant:

(1) the dismissal, termination of engagement or removal from office of that Participant for a reason which entitles a member of the Group to dismiss terminate or remove that Participant without notice and otherwise with immediate effect;

(2) that Participant becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under any law relating to mental health;

(3) that Participant is convicted of an indictable criminal offence which in the reasonable opinion of the Board detrimentally affects the ability of that Participant to perform or discharge his or her Duties;

(4) that Participant is found guilty of dishonesty or misconduct in the carrying out the Duties or obligations to that Participant to the Company or any other member of the Group;

(5) that Participant is convicted of a criminal offence and receives or is liable to receive in respect of that conviction, a custodial sentence (whether suspended or otherwise);

(6) that Participant experiences an Insolvency Event; or

(7) that Participant acts in breach of his or her Duties.

Certificate means, with respect to a Security, a certificate issued under these Rules in the form approved by the Plan Committee from time to time.

Company means Austral Gold Limited ABN 30 075 860 472.

Constitution means the constitution of the Company as varied from time to time.

Contractor means a person or entity who or that is, for the purposes of ASIC Class Order [14/1000], a contractor of the Company or any other member of the Group.

Control of an entity means having the right to:

(1) vote fifty per cent. (50%) or more of the votes that can be cast on the election or removal of the entity's directors;

(2) appoint or remove directors who possess fifty per cent. (50%) or more of the votes

exercisable by all directors of the entity; or

(3) receive or be paid fifty per cent (50%) or more of the profits or distributions of the entity or of its net liquidation proceeds.

For purposes of this definition, if the entity does not have a board of directors, 'director' means a member of the entity's governing body with a role similar to a board of directors.

Control Event means an**y** of the following:

(1) an offer is made by a person to acquire all of the Shares that are not at the time owned by the offeror or any person acting in concert with the offeror, and after the announcement of that offer, the offeror or such other person (in either case, being a person who did not Control the Company prior to the offer being announced) acquires Control of the Company; or

(2) unless the Plan Committee otherwise determines, a takeover bid by a person is recommended by the Board, or a scheme of arrangement which would have a similar effect to a takeover bid is announced by the Company.

Conversion has the meaning given to that term in Rule 9.2(4).

Conversion Conditions has the meaning given to that term in Rule 9.3(2)(d).

Corporations Act means the Corporations Act 2001 (Cth).

Corporations Regulations means any and all regulations made under the Corporations Act.

Date of Grant means, with respect to a Security, the date on which the Plan Committee issues the Security to a Participant.

Director means a person holding the office of director or the Company.

disclosure document has the meaning given to that term in section 9 of the Corporations Act.

Dispose includes sell, assign, transfer or otherwise encumber or create a Security Interest.

Duties means, in respect of a Participant, the duties, responsibilities and job specifications of that Participant as more particularly set out in the provisions of any employment agreement, contract, terms of engagement or other agreement or deed to which that Participant and a member of the Group is a party.

Eligible Person means an Employee, Director or other person or entity selected by the Plan Committee to be made an offer to participate in the Plan.

Employee means a person in respect of whom any member of the Group is the employer or is deemed to be the employer for the purposes of section 83A-35 of the Tax Act, and includes:

(1) a full-time or part-time employee of the Company or any other member of the Group;

(2) a casual employee who:

(a) has been in employment with the Company or any other member of the Group for more than one (1) year; and

(b) the Company regards as equivalent to either full-time or part-time employees; or

(3) a Contractor who has:

(a) been engaged by the Company or any other member of the Group for more than one (1) year; and

(b) received eighty per cent (80%) or more of his or her income as a contractor during the period of that engagement from the Company or any other member of the Group.

Exercise Period means, in respect of:

(1) the First Tranche Options, the period commencing on and including the First Vesting Date and ending on and including the earlier to occur of:

(a) the second anniversary of the First Vesting Date; and

(b) a Buyback Event in respect of the Participant that holds the First Tranche Options, or in respect of the Eligible Person who nominated or Controls the holder of the First Tranche Options,

(**First Tranche Exercise Period**);

(2) the Second Tranche Options, the period commencing on and including the Second Vesting Date and ending on and including the earlier to occur of:

(a) the second anniversary of the Second Vesting Date; and

(b) a Buyback Event in respect of the Participant that holds the Second Tranche Options, or in respect of the Eligible Person who nominated or Controls the holder of the Second Tranche Options,

(**Second Tranche Exercise Period**); and

(3) the Third Tranche Options, the period commencing on and including the Third Vesting Date and ending on and including the earlier to occur of:

(a) the second anniversary of the Third Vesting Date; and

(b) a Buyback Event in respect of the Participant that holds the Third Tranche Options, or in respect of the Eligible Person who nominated or Controls the holder of the Third Tranche Options,

(**Third Tranche Exercise Period**).

Exercise Price means in respect of an Option, the price payable by the holder on the exercise of that Option, being the amount determined in accordance with Rule 5.5.

First Exercise Date means in respect of the First Tranche Options, any date during the First Tranche Exercise Period on which a Notice of Exercise is first provided to the Company by a Participant that is a registered holder of any First Tranche Options.

First Tranche Options means those Options that are issued by the Company to a Participant and that will, subject to applicable provisions of these Rules, vest on the First Vesting Date and otherwise under the Plan.

First Vesting Date means in respect of the First Tranche Options, the first anniversary of the Option Issue Date, or such other date as the Plan Committee in accordance with Rule 6.3 may substitute for that date.

Group means the Company and each company that is an Associated Company.

Holding Company has the meaning given to that term in section 9 of the Corporations Act.

Holding Lock has the meaning given to it in Listing Rule 19.12.

Holding Lock Period means in respect of:

(1) an Option;

(2) a Restricted Stock Unit;

(3) any Share that issued as a result of the exercise of any Option; or

(4) any Share that issued as a result of a Conversion of any Restricted Stock Unit,

the period referred to in Rule 11.3(1).

Insolvency Event means any of the following events:

(1) in the case of a corporation:

(a) the corporation is dissolved (whether pursuant to Chapter 5A of the Act or otherwise);

(b) a controller, liquidator, provisional liquidator, trustee or administrator is appointed in respect of the corporation or any of its assets;

(c) any step is taken by any person for the purpose of having the corporation wound up or dissolved or for the appointment of a liquidator, provisional liquidator, trustee or administrator to the corporation or any of its assets;

(d) the corporation:

(i) decides to enter into a scheme of arrangement, a deed of company arrangement or composition with its creditors or an assignment for their benefit;

(ii) proposes or becomes subject to a moratorium of its debts; or

(iii) takes any action as a result of which the corporation's assets are, or are proposed to be, submitted to the control of its creditors;

(e) the corporation seeks or obtains protection from its creditors under any statute or any other law;

(f) the corporation is unable to pay all of its debts as and when they become due and payable or is deemed to be insolvent under any provision of the Corporations Act or any other statute or law;

(g) any attachment, distress, execution or other process is made or levied against any asset of the corporation;

(h) the corporation ceases to carry on all or a substantial part of its business (or threatens to do so); or

(i) an event occurs in relation to the corporation which is analogous to anything referred to above or which has a substantially similar effect;

(2) in the case of a natural person, the person:

(a) dies;

(b) becomes, or is declared by a medical practitioner (who is registered to practise in an Australian state) to be, mentally or physically incapable of managing the person's affairs;

(c) enters into, attempts to enter into, or convenes a meeting for the purpose of entering into, an arrangement, assignment or composition with the person's creditors; or

(d) an event occurs in relation to the person which is analogous to anything referred to in this definition or which has a substantially similar effect; and

(3) in the case of a trust:

(a) the making of an application or order in any court for:

(i) accounts to be taken in respect of the trust; or

(ii) any property of the trust to be brought into court or administered by the court under its control;

(b) the occurrence of any event which brings any part of the trust fund under the control of any court;

(i) where the trustee is an individual, paragraph (a) will apply; and

(ii) where the trustee is a corporation, paragraph (b) will apply.

Insolvency Official means any one of a liquidator, provisional liquidator, administrator, controller, managing controller, receiver, receiver and manager or similar officer in respect of a body corporate.

Last Conversion Date has the meaning given to that term in Rule 9.3(2)(c)(iii).

Last Exercise Date means, unless otherwise expressly specified in an offer of Options made under Rule 5.1 (including the Specific Terms), or in a Certificate, in respect of:

(1) the First Tranche Options, the last day of the First Tranche Exercise Period;

(2) the Second Tranche Options, the last day of the Second Tranche Exercise Period;

(3) the Third Tranche Options, the last day of the Third Tranche Exercise Period; or

(4) if a Special Circumstance arises in respect of a Participant and any of the Options, and during any of the periods, as each are referred to in sub-paragraphs (1), (2) or (3) of this defined term, such later date, if any, as may be determined by the Plan Committee after the Special Circumstance first arises.

Legal Personal Representative means any of:

(1) the executor of the will or an administrator of the estate of a deceased person;

(2) the trustee of the estate of a person under a legal disability;

(3) a person who holds an enduring power of attorney granted by another person; or

(4) an Insolvency Official.

Letter of Offer means a letter of offer from the Company, or the Plan Committee acting in behalf of the Company, to an Eligible Person or an Authorised Nominee of an Eligible Person, that is substantially in accordance with the provisions of the pro-forma letter as set out in Annexure B or such other provisions as the Board or Plan Committee feels is appropriate.

Listing Rules means the ASX Listing Rules, as varied from time to time.

Notice of Exercise means a duly completed and executed notice of exercise of an Option by a Participant, in the form set out in Annexure C or as otherwise approved by the Plan Committee.

Offered Security means the Security referred to in Rule 5.2(1).

Official Quotation has the meaning given to that term in the Listing Rules.

Option means an option issued to a Participant to subscribe for a Share on payment of the Exercise Price and otherwise on the terms and conditions of that option and these Rules.

Option Issue Date means in respect of a Participant, the date of issue by the Company of the First Tranche Options to that Participant.

Participant means, as is applicable in the context of these Rules and in order to better give effect to the provisions of Rule 2:

(1) the Eligible Person who or that holds a Security offered or issued under, or otherwise contemplated by, the Letter of Offer and the Plan, including the Rules;

(2) if applicable, an Authorised Nominee; or

(3) if applicable, a person or entity as referred to in sub-paragraphs (1) or (2) of this definition, who or that experiences a Buyback Event, the Legal Personal Representative of that person or entity.

Plan means the Austral Gold Limited Stock Incentive Plan as constituted and governed by these Rules.

Plan Committee means the Stock Incentive Plan Committee or any other committee of the Board to which power to administer the Plan has been delegated by the Board or if and to the extent that there has been no or insufficient delegation, the Board.

Pro Rata Issue means an issue of securities by the Company or an Associated Company which has been offered to all Shareholders on a pro rata basis.

Purpose means, in relation to the collection of personal information as contemplated by Rule 21, the facilitation of the operation and the administration of the Plan.

Redundancy means the termination or cessation of a Participant's employment or office with the Company or an Associated Company due to a determination that the need to employ that Participant for the particular kind of work carried out by that Participant has ceased (but, for the avoidance of any doubt, does not include the dismissal of any Participant for personal or disciplinary reasons or where the Participant leaves the employ of the Company or an Associated Company of his or her own accord).

Restricted Offer has the meaning given to that term in Rule 9.1.

Restricted Security has the meaning given to that term in Rule 9.2(1).

Restricted Stock Unit means an unsecured and conditional obligation given and owed by the Company to a Participant to issue a Share to that Participant or its nominee upon satisfaction of the Conversion Conditions, and which obligation comes into existence upon the making and acceptance of a Restricted Offer, each in accordance with the provisions of that obligation, which include the provisions of Rule 9.

Restriction Period means, subject to the occurrence of a Buyback Event prior to the expiration of any of the periods referred to in this defined term, and as is otherwise applicable, either:

(1) in the case of a Restricted Stock Unit issued to a Participant pursuant to the terms of a Letter of Offer, the period commencing on and including the date of Conversion of that Restricted Stock Unit and ending on and including a date that, as determined by the Plan Committee, is no later than the first anniversary of that date of Conversion; or

(2) such other period as is determined by the Plan Committee.

Rules means the provisions of this document, including any schedule or annexure to it, as varied from time to time.

Second Exercise Date means in respect of the Second Tranche Options, any date , during the Second Tranche Exercise Period and on which a Notice of Exercise is first provided to the Company by a Participant that is a registered holder of any Second Tranche Options.

Second Tranche Options means, subject to the provisions of Rule 6.6(4), those Options that are issued by the Company to a Participant and that will, subject to applicable provisions of these Rules, vest on the Second Vesting Date, and otherwise under the Plan.

Second Vesting Date means in respect of the Second Tranche Options, the second anniversary of the Option Issue Date, or such other date as the Plan Committee in accordance with Rule 6.3 may substitute for that date.

Securities Trading Policy means the Company's trading policy with respect to securities, including any and all Securities, as varied from time to time.

Security means any of:

(1) an Option;

(2) a Share; or

(3) a Restricted Stock Unit,

and each of the foregoing will be regarded for the purposes of the administration of the Plan as a separate class of Security.

Security Interest means:

(1) a mortgage, charge, assignment by way of security, pledge, lien, hypothecation, title retention arrangement, encumbrance or other third party interest of any nature;

(2) any arrangement having a commercial effect equivalent to anything in sub-paragraph (1) of this defined term; and

(3) any agreement to create an interest described in sub-paragraph (1) of this defined term or an arrangement described in sub-paragraph (1) of this defined term.

Share means a fully paid ordinary share in the issued capital of the Company.

Shareholder means a holder of a Share or Shares.

Special Circumstance means, in relation to a Participant:

(1) Total and Permanent Disablement;

(2) death;

(3) Redundancy; or

(4) any other circumstances determined at the discretion of the Plan Committee.

Specific Terms means, in relation to an invitation to participate under the Plan, any specific terms

and conditions (including any terms and condition under Rule 5.2(6)) of the invitation.

Tax includes any tax (direct or indirect), levy, impost, Goods and Services Tax, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.

Tax Act means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth) or both, as the context requires.

Tax Administration Act means the *Taxation Administration Act 1953* (Cth).

Third Exercise Date means in respect of the Third Tranche Options, any date, during the Third Tranche Exercise Period and on which a Notice of Exercise is first provided to the Company by a Participant that is a registered holder of any Third Tranche Options.

Third Tranche Options means, subject to the provisions of Rule 6.6(4), those Options that are first issued by the Company to a Participant and that will, subject to applicable provisions of these Rules, vest on the Third Vesting Date, and otherwise under the Plan.

Third Vesting Date means in respect of the Third Tranche Options, the third anniversary of the Option Issue Date, or such other date as the Plan Committee in accordance with Rule 6.3 may substitute for that date.

Total and Permanent Disablement means, in relation to any Participant, that the Participant has, in the opinion of the Plan Committee (such opinion to be reasonably held), after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to be able to engage in any occupation for which he is reasonably qualified by education, training or experience, at the time of that incapacitation.

TSXV means the TSX Venture Stock Exchange.

TSXV Corporate Finance Policies means those policies, guidelines and rules as published and applied by the TSX-V at any time and form time to time.

Vesting Conditions has the meaning given in Rule 6.2.

Vesting Date means any of the First Vesting Date, the Second Vesting Date and the Third Vesting Date.

VWAP means the volume weighted average price of Shares sold on the ASX during the five (5) trading days immediately preceding and including the date on which such price is to be determined, but does not include any transactions defined in the ASX Business Rules as 'special' crossings prior to the commencement of normal trading, crossings during the after hours adjust phase nor any overseas trades or trades pursuant to the exercise of options over Shares.

1.2 Interpretation

In these Rules, unless the context otherwise requires:

(1) headings are for convenience only and do not affect the interpretation of these Rules;

(2) reference to any legislation or a provision of any legislation includes a modification or re-enactment of the legislation or a legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, the legislation;

(3) words denoting the singular include the plural and vice versa;

(4) words denoting a gender include the other genders;

(5) reference to any document or agreement includes reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;

(6) where any word or phrase is given a defined meaning in these Rules, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;

(7) reference to a rule or paragraph is a reference to a rule or paragraph of these Rules, or the corresponding Rule or Rules of the Plan as amended from time to time;

(8) a reference to the Constitution includes a reference to any provision having substantially

the same effect which is substituted for or replaces the Constitution;

(9) where a Participant is a director of a company in the Group, but is not also an employee of that company, a reference to the employment Group of that Participant with a company is a reference to that Participant holding office as a director of that company;

(10) a Participant does not cease to be employed by a company in the Group where the Participant ceases to be employed by a company in the Group, but contemporaneously commences employment with another company in the Group;

(11) reference to time is a reference to the time in Sydney , Australia; and

(12) where an act or thing must be done on a particular day or within a particular period, that act or thing must be done before, and that period ends at, 5.00 p.m. (Australian Eastern Standard time) on the relevant day.

1.3 Applicable Laws Paramount

These Rules are to be interpreted subject to the Applicable Laws.

2. The Plan

The purpose of the Plan is to:

(1) provide Eligible Persons with an opportunity to share in the growth in value of the Securities;

(2) encourage Eligible Persons to improve the performance of the Group and its return to Shareholders and holders of other Securities; and

(3) enable the Group to retain and attract skilled and experienced officers, employees and contractors and provide them with the motivation to enhance the success of the Group.

3. Principal conditions

3.1 Securities only issued to an Eligible Person or Authorised Nominee

No Security may be offered or issued to a person under the Plan unless that person is at the time of the offer and the issue:

(1) an Eligible Person; or

(2) an Authorised Nominee; or

the Plan Committee determines otherwise.

3.2 Compliance with laws

No Security may be offered or issued to an Eligible Person or to an Authorised Nominee, or exercised by a Participant if to do so would contravene an Applicable Law, including any of the provisions of Listing Rules 6.15 to 6.24 (inclusive).

4. Operation of the Plan

The Plan operates according to these Rules which bind each and any member of the Group and each Participant.

5. Issue of Securities

5.1 Plan Committee may determine issue

Subject to these Rules, the Plan Committee may from time to time determine that the Company will offer Securities to an Eligible Person or to an Authorised Nominee.

5.2 Content of Letter of Offer

The Board or the Plan Committee must give to each Eligible Person or to an Authorised Nominee of that Eligible Person invited to participate under the Plan, a Letter of Offer and an Application Form to complete, sign and return to the Company, that includes or is accompanied by the following information:

(1) either:

(a) the number of Securities to which the invitation relates; or

(b) the basis on which the number of Securities to which the invitation relates is to be determined

(2) in respect of each Offered Security that is an Option:

(a) the proposed date of issue of that Option;

(b) the Exercise Price of that Option; and

(c) either:

(i) the Vesting Date and the Last Exercise Date in respect of that Option; or

(ii) the basis on which the Vesting Date and the Last Exercise Date of that Option are to be determined;

(3) in respect of each Offered Security that is a Restricted Stock Unit, all the information referred to in Rule 9.3(2);

(4) which, if any, Buyback Event will apply to each Offered Security;

(5) whether a Holding Lock will apply to any Security issued upon the exercise of an Option or Conversion of a Restricted Stock Unit, and if so:

(a) whether during such Holding Lock the relevant Eligible Person or his or her Authorised Nominee will be able to Dispose of a percentage of the Shares, in one or more tranches; and

(b) the period for which that Holding Lock will apply but which must not be longer in duration than and including the first anniversary of, as is applicable, the date of:

(i) the relevant Notice of Exercise of that Option; or

(ii) the date of Conversion of that Restricted Stock Unit; and

(6) any other terms and conditions relating to the grant, exercise of any right of the Participant or the Company attaching to, or the issue of, a Security that, in the opinion of the Plan Committee, are fair and reasonable but not inconsistent with these Rules,

and the following documents:

(7) when an invitation is made to an Eligible Person or to an Authorised Nominee of that Eligible Person under the Rules, a copy of all the complete and current Rules; and

(8) any other information or documents that the Applicable Laws require the Company to give to the Eligible Person or to an Authorised Nominee of that Eligible Person.

5.3 Offer and acceptance

By completing, signing and returning the Application Form given to an Eligible Person or to an Authorised Nominee of that Eligible Person under the provisions of Rule 5.2, either:

(1) the Eligible Person;

(2) an Authorised Nominee of that Eligible Person; or

(3) a Legal Personal Representative of any person or entity referred to in sub-paragraphs (1) or (2) of this Rule 5.3,

will have thereby be deemed to have offered to participate under the Plan in accordance with these Rules and, on acceptance by the Board or the Plan Committee on behalf of the Board, of that offer, a contract will thereupon be formed between the Company and the applicable Participant as referred to in sub-paragraphs (1), (2) or (3) of this clause 5.3 as is applicable and otherwise on the terms and conditions of:

(4) these Rules;

(5) the Specific Terms;

(6) the Constitution; and

(7) the Applicable Laws.

For the purposes of this Rule 5.3, acceptance by the Board or the Plan Committee on behalf of the Board, of the above offer of a Participant as referred to in sub-paragraphs (1), (2) or (3) of this Rule 5.3, will be sufficiently evidenced by the subsequent conduct of the Plan Committee in granting or issuing some or all of the Securities that are the subject of the applicable Letter of Offer and Application Form sent to that Participant.

5.4 Limit on Number of Securities

(1) Subject to the provisions of Rule 5.4(2), the number of Securities is as determined by the Plan Committee, in its absolute discretion.

(2) The Company must not offer to issue, or issue, any Security that is a Share or capable of being Converted into a Share pursuant to any offer and these Rules if, at the time of the offer, the sum of the number of Shares in the same class:

(a) that would be issued if all outstanding offers, invitations, Options and Restricted Stock Units granted or issued under the Plan and any other employee share plan of any member of the Group were exercised or Converted; and

(b) issued under the Plan or issued under any other employee share and option plan of any member of the Group during the period of five (5) years prior to the date of the Offer,

exceeds five per cent (5%) of the total number of issued Shares in that class.

(3) For the purpose of applying the 5% limit referred to in Rule 5.4(2), any offer made, or Option or Restricted Stock Unit granted or any Shares issued by way of or as a result of an offer, that has been made, granted or issued such that:

(a) it is received by a person outside of Australia, such as by an employee in a jurisdiction other than that of the Commonwealth of Australia or of any state or territory of that Commonwealth;

(b) it is made in reliance upon the provisions of section 708 or section 1012D, each of the Corporations Act and therefore is not requiring a disclosure document; or

(c) it was made under a disclosure document,

will be disregarded.

5.5 Exercise Price

Subject to any adjustment under Rule 12.3, the Exercise Price payable upon the exercise of an Option will be such price as is selected by the Board or the Plan Committee, in its absolute discretion but subject, in any event, to the Applicable Law, and as will be disclosed by the Board or the Plan Committee in accordance with the provisions of Rule 5.2(2).

5.6 Exercise Price in Australian dollars

The Exercise Price in respect of both an Option and a Restricted Stock Unit, must be denominated in Australian dollars, and payable at the time and in the manner determined by the Plan Committee, in its absolute discretion.

5.7 Becoming a Participant

On the issue of a Security to either:

(1) an Eligible Person;

(2) an Authorised Nominee ; or

(3) a Legal Personal Representative of any person or entity referred to in sub-paragraphs (1) or (2) of Rule 5.3,

that person or entity thereby becomes a Participant and bound by these Rules.

5.8 Certificates

The Company must give a Participant one or more Certificates stating, to the extent applicable to the Security that is the subject of that Certificate or those Certificates (or which, if applicable, attaches a separate document) stating to the extent applicable:

(1) the number of Securities issued to the Participant;

(2) the Date of Grant of those Securities;

(3) where applicable, the Vesting Date of those Securities or the basis on which each such date is to be determined;

(4) the Exercise Price of each Security or the basis on which that Exercise Price is to be determined;

(5) the expected Last Exercise Date of each Option or the basis on which it is to be determined;

(6) the expected Last Conversion Date of each Option or the basis on which it is to be determined;

(7) the term of the Holding Lock applicable to any such Security;

(8) the terms and conditions of escrow arrangements, if any, that will be applicable to any such Security; and

(9) any other specific terms and conditions applicable.

5.9 Consideration for Security

A Security will be issued for consideration comprising the services that are expected to be provided by an Eligible Person to or for the benefit of the Group. Unless expressly stated otherwise by the Plan Committee, no further monetary or other valuable consideration will be payable in respect of the issue of a Security.

5.10 Entitlement to underlying Shares

Subject to these Rules, each:

(1) Option confers on its holder the entitlement to subscribe for and be issued one fully paid Share at the Exercise Price applicable to that Option; and

(2) Restricted Stock Unit confers on its holder, the right, upon satisfaction or waiver of the Conversion Conditions applicable to that Restricted Stock Unit, to subscribe for and be issued one fully paid Share at the Exercise Price applicable to that Restricted Stock Unit.

5.11 No Quotation of Options and Restricted Stock Units

The Company will not apply for the Official Quotation of any Options or any Restricted Stock Units.

5.12 Interest in Shares

A Participant has no interest in a Share the subject of an Option or of a Restricted Stock Unit held by that Participant unless and until the Share is issued to that Participant under the Rules and the Constitution.

6. Vesting of Options or Restricted Stock Units

6.1 Vesting

Subject to the provisions of Rule 6.2, an Option vests on the Vesting Date applicable to that Option.

6.2 Vesting Conditions

The vesting of any Option or any Restricted Stock Unit held by the Participant is subject to each of the following conditions being satisfied or waived in accordance with the provisions of Rule 6.8:

(1) subject to the provisions of Rule 6.3, the Participant must have been at all times between and including both the Date of Grant of an Option or of a Restricted Stock Unit, as the case may be, and the Vesting Date of that Option or Restricted Stock Unit , either:

(a) an Eligible Person;

(b) an Authorised Nominee of an Eligible Person ; or

(c) a Legal Personal Representative of any person or entity referred to in sub-paragraphs (1)(a) or (1)(b) of this Rule 6.2; and

(2) any other conditions imposed in the Letter of Offer by the Plan Committee in its absolute

discretion,

(collectively **Vesting Conditions** and each a **Vesting Condition**).

6.3 Vesting brought forward

(1) Unless otherwise specified in an offer of Options or Restricted Stock Units made under the provisions of Rule 5.1 (including the Specific Terms), or in a Certificate in respect of that Option or Restricted Stock Unit, if an Accelerated Vesting Event occurs while a Participant, or if applicable, any Eligible Person who nominated that Participant, is Employed by any member of the Group and before the Vesting Date applicable to any of those Options or Restricted Stock Units, all Options or Restricted Stock Units held by the Participant and that have not vested prior to the date of first occurrence of that Accelerated Vesting Event will immediately vest on that date of first occurrence of that Accelerated Vesting Event.

(2) The Company:

(a) must within 14 days of the date of first occurrence of an Accelerated Vesting Event give notice to each Participant affected by the Accelerated Vesting Event in respect of any Options or Restricted Stock Units held by a Participant; and

(b) may issue a replacement Certificate for those Options or Restricted Stock Units.

6.4 Continued vesting on the happening of a Special Circumstance

An Option or Restricted Stock Unit will lapse upon either:

(1) a Participant, or if applicable, any Eligible Person who nominated that Participant, ceasing to be an Employee; or

(2) a Buyback Event occurring in respect of that Participant or if applicable, any Eligible Person who nominated that Participant,

unless a Special Circumstance occurs or applies in relation to that Participant before the Vesting Date applicable to that Option or Restricted Stock Unit.

6.5 Non Vesting or Non Exercise of First Tranche Options

Subject to the provisions of Rule 6.8, and in respect of any First Tranche Options held by a Participant:

(1) if the Vesting Conditions applicable to any of those First Tranche Options have not been satisfied before 5 p.m. on the First Vesting Date; or

(2) any of those First Tranche Options have not been exercised in accordance with the provisions of Rule 7,

then immediately upon the occurrence of such non-satisfaction or non-exercise:

(3) each of the First Tranche Options referred to in Rule 6.5(1) or Rule 6.5(2) (each an Outstanding First Tranche Option) will be cancelled and of no further force or effect;

(4) the number of Second Tranche Options held by that Participant will be increased by the number of Outstanding First Tranche Options, but all other provisions relating to the Second Tranche Options under these Rules will remain the same; and

(5) the Plan Committee must give that Participant written confirmation of the occurrence of each of the relevant events referred to in this Rule 6.5 promptly after their occurrence.

6.6 Non Vesting or Non Exercise of Second Tranche Options

Subject to the provisions of Rule 6.6:

(1) if the Vesting Conditions applicable to any of those Second Tranche Options have not been satisfied before 5 p.m. on the Second Vesting Date; or

(2) any of the Second Tranche Options have not been exercised in accordance with the provisions of Rule 7,

then immediately upon the occurrence of such non-satisfaction or non-exercise:

(3) each of the Second Tranche Options referred to in Rule 6.6(1) or Rule 6.6(2) (each an

Outstanding Second Tranche Option) will be cancelled and of no further force or effect;

(4) the number of Third Tranche Options held by that Participant will be increased by the number of Outstanding Second Tranche Options, but all other provisions relating to the Third Tranche Options under these Rules will remain the same; and

(5) the Plan Committee must give that Participant, written confirmation of the occurrence of each of the relevant events referred to in this Rule 6.6 promptly after their occurrence.

6.7 Non Vesting or Non Exercise of Third Tranche Options

Subject to the provisions of Rule 6.6:

(1) if the Vesting Conditions in relation to any of the Third Tranche Options have not been satisfied before 5 p.m. on the Third Vesting Date; or

(2) any of the Third Tranche Options have not been exercised in accordance with the provisions of Rule 7,

then immediately upon the occurrence of such non-satisfaction or non-exercise:

(3) each of those Third Tranche Options referred to in Rule 6.7(1) or Rule 6.7(2) will be cancelled and of no further force or effect; and

(4) the Plan Committee must give the Participant written confirmation of the occurrence of each of the events referred to in this Rule 6.7 promptly after their occurrence.

6.8 Waiver of Vesting Conditions

The Plan Committee may, at its discretion, by notice to the Participant, waive or vary the provisions of any Vesting Condition applicable to any Option at any time.

7. Exercise of Options and Quotation of Shares

7.1 Exercise during Exercise Period

Subject to the Rules and the provisions upon which an Option is issued:

(1) the First Tranche Options may be exercised at any time during the First Tranche Exercise Period;

(2) the Second Tranche Options may be exercised at any time during the Second Tranche Exercise Period; and

(3) the Third Tranche Options may be exercised at any time during the Third Tranche Exercise Period.

7.2 Exercise before Exercise Period

Subject to the Rules, an Option may be exercised before the commencement of the applicable Exercise Period if permitted under the provisions of Rule 12.5.

7.3 Exercise of Options

Subject to the Rules, an Option which has not lapsed may be exercised by the Participant giving, or procuring the giving, to the Company of:

(1) a Notice of Exercise signed by the Participant;

(2) the Certificate for the Option; and

(3) payment to the Company or, as directed by the Company, to an Associated Company, in the form, timing and manner of payment directed by and acceptable to the Board, in the amount being the product of:

(a) the number of Options then being exercised by the Participant; and

(b) the Exercise Price in respect of those Options.

The Notice of Exercise will only be effective when payment of the Exercise Price in full has been honoured on presentation or when any electronic funds transfer in payment of the Exercise Price has resulted in the deposit of cleared funds in the bank account of the Company or an Associated Company, as directed by the Company.

7.4 Issue of Shares

Subject to these Rules, within 10 Business Days after the Notice of Exercise referred to in Rule 7.3 becomes effective, the Company must:

(1) issue the number of Shares specified in the Notice of Exercise to the Participant;

(2) cancel each Certificate for the Options that are the subject of the Notice of Exercise and that are being exercised; and

(3) if applicable, issue a new Certificate for each of:

(a) the number of Shares issued upon exercise of those Options; and

(b) any remaining Options that are the subject of the Certificate accompanying the Notice of Exercise.

7.5 Exercise all or some Options

(1) A Participant may only exercise Options in multiples of 1,000 or another multiple as the Plan Committee determines unless the Participant exercises all Options covered by a Certificate and that are able to be exercised by that Participant at that time.

(2) The exercise by a Participant of only some of the Options held by the Participant does not affect the Participant's right to exercise at a later date any other Options held by that Participant, whether those other Options have the same Exercise Date or otherwise.

7.6 Quotation of Shares

If Shares are officially quoted on:

(1) the ASX at the time of issue of Shares arising from an exercise of Options or the Conversion of any Restricted Stock Unit under this Plan, the Company must, within the time frame required by Item 5 of Appendix 6A of the Listing Rules, apply for Official Quotation of those Shares; and

(2) the TSXV at the time of issue of Shares arising from an exercise of Options or the Conversion of any Restricted Stock Unit under this Plan, the Company must, within the time frame required by any Applicable Law, apply for quotation of those Shares on the TSXV.

7.7 Shares rank equally

Subject to the restrictions imposed under Rule 10 and Rule 11, each Share issued and allotted on the exercise of any Option granted under this Plan will rank pari passu in all respects with all other Shares previously issued, whether or not under this Plan, and in particular, will entitle the holders of those first mentioned Shares to participate fully in:

(1) all dividends declared by the Company after the date of allotment of such Share; and

(2) all issues of securities made or offered pro rata to Shareholders after the date of allotment of such Share.

8. Lapse of Options

8.1 Lapse of vested Options

Unless otherwise specified in the Certificate or determined otherwise by the Plan Committee, an Option that has vested with the Participant lapses on the earlier to occur of either:

(1) the commencement of the day immediately succeeding the Last Exercise Date in respect of that Option; or

(2) upon the completion of the redemption and cancellation of that Option as a result of the occurrence of a Buyback Event.

8.2 Options cease

Subject to the provisions of Rule 6.5 and Rule 6.6, if a Participant fails for any reason to exercise all the Options registered in that Participant's name in accordance with the provisions of Rule 7 or before the occurrence of a circumstance set out in Rule 8.1, all those Options that the Participant:

(1) would have been entitled to exercise and that have not been exercised; and

(2) may have had a right or entitlement to have vested in the Participant,

will thereupon lapse upon that occurrence and all rights of a Participant under the Plan in respect of those Options will thereupon cease to be of any effect or value.

9. Issue and holding of Restricted Stocks Units

9.1 Restricted Stock Units

As an alternative, or in addition, to the offer and issue of Options, and the issue of Shares as a result of the exercise of those Options, in accordance with these Rules, the Plan Committee may offer to issue Restricted Stock Units in accordance with the provisions of this Rule 9 (each such offer hereafter referred to as a **Restricted Offer**).

For the sake of clarity, any Restricted Offer will be made by the issue of a Letter of Offer that complies with, inter alia, the provisions of this Rule 9.

9.2 Undertakings by Eligible Person or its Authorised Nominee

Upon an Eligible Person or its Authorised Nominee accepting any Restricted Offer, that Eligible Person will thereupon be deemed to have undertaken to the Company that that Eligible Person will:

(1) hold, or if applicable procure the holding by its Authorised Nominee, of each Restricted Stock Unit that is the subject of that Restricted Offer (each a **Restricted Security**) for the duration of the applicable Restriction Period, and otherwise in accordance with the provisions of the Restricted Offer and these Rules;

(2) not seek to Convert, and if applicable procure that its Authorised Nominee will not seek to Convert, any Restricted Stock Unit unless and until all of the Conversion Conditions attaching to that Restricted Stock Unit have been performed or otherwise satisfied or, in its absolute discretion, waived by the Plan Committee; and

(3) accept, and if applicable procure that its Authorised Nominee will accept, in consideration of the Disposal of a Restricted Stock Unit upon and as a consequence of the conversion of that Restricted Stock Unit into a Share (**Conversion**) in accordance with the provisions of this Rule 9 and the applicable Letter of Offer, either, and as determined by the Plan Committee:

(a) the issue of a Share or that number of Shares that would have been issued upon Conversion of that Restricted Stock Unit, in the name of the Eligible Person or if applicable its Authorised Nominee;

(b) a cash payment to the Eligible Person or if applicable its Authorised Nominee, that is equal to the product of the number of Shares that would have otherwise been issued to the Eligible Person or if applicable its Authorised Nominee and the VWAP of a Share, as determined at the date of Conversion; or

(c) a combination of the two forms of consideration referred to in sub-paragraphs (a) and (b) immediately above.

9.3 Obligations of Plan Committee

The Plan Committee must ensure that:

(1) any Restricted Offer may only be made in writing and to an Eligible Person; and

(2) the provisions of the Restricted Offer expressly include:

(a) the proposed date of issue of any Restricted Security offered in that Restricted Offer;

(b) the date of commencement and date of termination of the Restriction Period that will apply to each Restricted Security that is the subject of the Restricted Offer;

(c) the details and requirements of what, if any, escrow or custodian arrangements will be established and maintained in respect of all or any of the Restricted Securities during all or part of the Restriction Period;

(d) if applicable, all material terms and conditions that are required to be satisfied in order to entitle the holder of any Restricted Stock Unit to Convert that Restricted Stock Unit into a Share, subject to the provisions of Rule 9.2(4), including:

(i) any conditions of vesting applicable to any Restricted Stock Unit, in addition to any Vesting Conditions stated or referred to in Rule 6(2); and

(ii) the last date upon which all those terms and conditions must be satisfied by, which date must occur on or before than the third anniversary of the Date of Grant of that Restricted Stock Unit (**Last Conversion Date**),

(collectively **Conversion Conditions**); and

(e) both:

(i) the dollar value of the consideration that will be payable upon the Disposal of those Restricted Securities as a result of the occurrence of any Buyback Event; and

(ii) the timing and other material provisions relating to that Disposal.

9.4 Conversion and lapse of Restricted Stock Units

Subject to all other provisions of this Rule 9:

(1) any holder of a Restricted Stock Unit will be permitted to Convert that Restricted Stock Unit into a Share upon giving written notice of the proposed Conversion in a form required by the Plan Committee acting reasonably, on or before the Last Conversion Date applicable to that Restricted Stock Unit;

(2) if for any reason all the Conversion Conditions applicable to any Restricted Stock Units have not either been satisfied or waived by the Plan Committee, on or before the Last Conversion Date:

(a) the Participant who holds those Restricted Stock Units will thereupon cease and be longer entitled to Convert any of those Restricted Stock Units; and

(b) all those Restricted Stock Units will thereupon lapse and cease to be of any effect or value; and

(3) no consideration will be or become payable by a Participant upon any Conversion of a Restricted Stock Unit into a Share.

9.5 Rights of a Participant in relation to Restricted Stock Units

Without limitation to the other provisions of this Rule 9, until the conversion of that Restricted Stock Unit into a Share upon satisfaction of the Conversion Conditions has occurred, the holder of a Restricted Stock Unit will not be or become entitled to receive dividends, attend and vote at meetings of Shareholders or participate in any available proceeds in the winding up of the Company, in accordance with the provisions of the Constitution.

10. Dealings with Securities

10.1 Securities personal

Except where a Security has been transferred under the provisions of Rule 10.3, a Security held by a Participant is personal to that Participant and may not be exercised by any other person.

10.2 No unauthorised Disposal

Except as permitted under the provisions of Rule 10.3, and without limitation to the provisions of Rule 11.3, a Participant must not Dispose of or otherwise deal with a Security or an interest in a Security, and any such Disposal or dealing will not registered or recognised in any manner by the Company or any other member of the Group.

10.3 Permitted transfer of Securities

Without limitation to the provisions of Rule 11.3, a Security which has vested with the Participant may only be transferred, by an instrument of transfer, in the following circumstances:

(1) a transfer constituting the necessary transfer documents following an acceptance ofan offer made under an off-market bid relating to the Security;

(2) a transfer to a bidder on the sale of the Securities under Division 3 of Part 6A.1 of the Corporations Act;

(3) a transfer to a 100% holder (as that term is defined in section 665A(1) of theCorporations Act) on the sale of the Securities under Division 2 of Part 6A.2 of the Corporations Act;

(4) a transfer under Part 6A.3 of the Corporations Act to a person entitled to acquirethe Securities under section 661A or section 664A of the Corporations Act;

(5) a transfer under a creditors' scheme of arrangement relating to the Securities under section 411 of the Corporations Act; or

(6) a transfer approved by the Plan Committee in circumstances as may be determined by the Plan Committee in its absolute discretion.

11. Buyback Event, Securities Trading Policy and Holding Lock

11.1 Disposal upon occurrence of a Buyback Event

Upon the occurrence of a Buyback Event specified in the provisions of the applicable Letter of Offer or Restricted Offer and in respect of the number and class of the Securities specified in the provisions of that Letter of Offer or Restricted Offer, the Participant to whom that Letter of Offer is addressed and sent must Dispose, or if applicable procure the Disposal by its Authorised Nominee, of those Securities as directed by the Company or the Plan Committee and otherwise in accordance with the provisions of that Letter of Offer or Restricted Offer and these Rules;

11.2 Securities Trading Policy

The Participant must comply with the Securities Trading Policy at all times, including for any Disposal or other dealing in any Securities.

11.3 Holding Lock

The Plan Committee may at its discretion, when making an offer of Securities to an Eligible Person under these Rules (**Offer**), specify that a Holding Lock will be applied to the Shares issued as a result of the exercise of any of those Securities.

11.4 Provisions of a Holding Lock

Upon acceptance of an Offer, and notwithstanding any other provisions of these Rules, the relevant Eligible Person will be deemed to have agreed that the provisions of a Holding Lock, if specified as being applicable in accordance with Rule 5.2(4) and Rule 11.2, will apply to any and all Shares issued as a result of the exercise of an Option or the Conversion of a Restricted Stock Unit that is the subject of that Offer, and that those provisions will include the following:

(1) the Holding Lock will be for a period that expires on and includes the first anniversary of the date of issue of the Shares or such other period as may be determined by the Plan Committee (**Holding Lock Period**);

(2) for the duration of the Holding Lock Period:

(a) all Shares issued under the Plan will not be capable of being Disposed of, provided that pursuant to the provisions of Rule 5.2(4)(a) and/or Rule 5.2(5) the Plan Committee may provide in the Letter of Offer applicable to any Share, that the relevant Eligible Person or his or her Authorised Nominee may Dispose of a certain percentage of the Shares on a monthly or quarterly basis during the Holding Lock Period, and on such other terms and conditions as are specified in the applicable Letter of Offer;

( ) without limitation to the provisions of Rule 10.2, the Participant who holds those Shares may not create any Security Interest over or in respect of any of those Shares (other than a Security Interest in favour of the Company or as agreed to in writing by the Plan Committee); and

(a) each Participant:

(i) agrees that all of those Shares will be subject to a Holding Lock for the duration of the applicable Holding Lock Period;

(ii) undertakes to participate in and comply with the provisions of any escrow arrangements that the Plan Committee determines is required or appropriate in order to ensure that the Participant complies with the provisions of the applicable Holding Lock; and

(iii) undertakes to comply with the provisions of the Holding Lock and not request (or permit or procure another person to request) removal or variation of the terms or conditions of that Holding Lock,

other than in circumstances contemplated in Column 2 of Annexure A, and upon the event in Column 1 of Annexure A occurring or in such other circumstances set out in the Specific Terms.

(3) The Company may implement any procedure it considers appropriate to restrict the Participant from Disposing of or otherwise dealing with any Shares while the Holding Lock is in place.

12. Participation rights, Bonus Issues, Rights Issues, Reorganisations of Capital and Winding up

12.1 New issues

Subject to the Listing Rules, a Participant is only entitled to participate (in respect of an Option or a Restricted Stock Unit granted under the Plan) in a new issue of Shares to existing Shareholders generally if:

(1) the Participant has validly exercised his or her Options within the relevant Exercise Period or the Restricted Stock Unit has been Converted, each in accordance with these Rules; and

(2) become a Shareholder,

prior to the relevant record date applicable for that new issue, and is then only entitled to participate in relation to Shares of which the Participant is the registered holder as at that record date.

12.2 Bonus Issues

Subject to the Listing Rules, if there is a Bonus Issue to the holders of Shares, the number of Shares over which an Option is exercisable or into which a Restricted Stock Unit may be Converted, will be increased by the number of Shares which the holder of that Option or Restricted Stock Unit would have received if that Option had been exercised or that Restricted Stock Unit Converted, each in accordance with these Rules, before the record date applicable for that Bonus Issue.

12.3 Pro rata issues

Subject to the provisions of the Listing Rules, if there is a Pro Rata Issue (except a Bonus Issue) to the Shareholders, the Exercise Price of an Option or the Conversion Price of a Restricted Stock Unit (collectively for the purposes of this Rule 12.3, **Price**), will be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

Where:

O’ = the Price immediately following the adjustment;

O = the Price immediately prior to the adjustment;

E = the number of Shares required to be issued upon the exercise of one Option or the number of Shares required to be issued upon the Conversion of one Restricted Stock Unit, each in accordance with these Rules;

P = the VWAP per Share ending on the day before the ex-rights date or ex entitlements date;

S = the subscription price for a Share under the Pro Rata Issue;

D = any dividend due but not yet paid on a Share (except any Share to be issued under the Pro Rata Issue); and

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

12.4 Reconstructions

In the event that, prior to the exercise of an Option or the Conversion of a Restricted Stock Unit, there is a reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, then the rights of the Participant including the number of Options or one Restricted Stock Units that each Participant is entitled or the Exercise Price (if any), or both, will be reconstructed in the manner permitted by the Listing Rules or as otherwise determined by the Board.

12.5 Winding-up

If, whether before or during an Exercise Period, a resolution for a members' voluntary winding up of the Company is proposed (other than for the purpose of a reconstruction or amalgamation) the Plan Committee may, in its absolute discretion, give written notice to Participants of the proposed resolution. Subject to the Vesting Conditions, the Participants may, during the period referred to in the notice, exercise all or any of their Options that have Vested and Convert all or any of their Restricted Stock Units, if the Last Exercise Date applicable for those Options or the Last Conversion Date for those Restricted Stock Units has not already occurred.

12.6 Fractions of Shares

For the purposes of this Rule 12, if Options are exercised simultaneously, or Restricted Stock Units are Converted simultaneously, then the Participant may aggregate the number of Shares or fractions of Shares for which the Participant is entitled to subscribe. Fractions in the aggregate number only will be disregarded in determining the total entitlement of a Participant.

12.7 Calculations and adjustments

Any calculations or adjustments which are required to be made under the provisions of this Rule 122 will be made by the Plan Committee and, in the absence of manifest error, will be final and conclusive and binding on the Company and the Participant.

12.8 Notice of change

To the extent required by the Listing Rules, the Company must give notice to each Participant of any adjustment to the number of Shares for which the Participant is entitled to subscribe or to the Exercise Price pursuant to the provisions of this Rule 12.

13. Administration of the Plan

13.1 Administration

The Plan is administered by the Plan Committee.

13.2 Powers of the Plan Committee

The Plan Committee has power to:

(1) determine appropriate procedures and make regulations for the administration of the Plan which are consistent with these Rules;

(2) resolve conclusively all questions of fact or interpretation arising in connection with the Plan;

(3) terminate or suspend the operation of the Plan at any time, provided that thetermination or suspension does not prejudice the rights of Participants holding Options or Restricted Stock Units, at that time;

(4) delegate those functions and powers it considers appropriate, for the efficient administration of the Plan, to any person or persons whom the Plan Committee reasonably believes to be capable of performing those functions and exercising those powers;

(5) take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under these Rules;

(6) administer the Plan in accordance with these Rules as and to the extent provided in these Rules; and

(7) make regulations for the operation of the Plan consistent with these Rules.

13.3 Exercise of powers or discretion

Any power or discretion which is conferred on the Plan Committee or Board by these Rules may be exercised by the Plan Committee or Board in the interests or for the benefit of the Company or any other member of the Group, and the Plan Committee or Board is not, in exercising that power or discretion, under any fiduciary or other obligation to any Participant or other person.

13.4 Determinations

Where these Rules provide for a determination, decision, approval or opinion of the Plan Committee or Board, that determination, decision, approval or opinion may be made or given by the Plan Committee or Board (as applicable) in its absolute discretion.

13.5 Expenses and costs

Subject to these Rules, the Company must pay all expenses, costs and charges incurred in the administration of the Plan.

13.6 Tax

No member of the Group or any adviser to such a member or to the Board is liable for any Tax which may become payable by a Participant and none of them represent or warrant that any person will gain any taxation advantage by participating in the Plan.

14. Amendment to Rules

14.1 Amendment

Subject to the provisions of Rule 14.2 and Rule 14.3, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including the provisions of this Rule 14).

14.2 Accrued Rights

No amendment of the provisions of these Rules may reduce the accrued or vested rights of any Participant in respect of any Security granted or issued under the provisions of the Plan prior to the date of the amendment becoming effective, other than an amendment introduced exclusively or primarily:

(1) for the purpose of complying with or conforming to any Applicable Law or any other present or future State, Territory or Commonwealth legal requirements governing or regulating the maintenance or operation of the Plan or like plans;

(2) to correct any manifest error or mistake;

(3) to enable contributions or other amounts paid by the Company in respect of the Plan to qualify as income tax deductions;

(4) to enable the Participant or the Company to reduce the amount of fringe benefits tax under the Fringe Benefits Tax Assessment Act 1986, the amount of tax under the Tax Act or the amount of any other tax or impost that may otherwise be payable by the Participant or any Group member in relation to the Plan;

(5) for the purpose of enabling Participants generally (but not necessarily each Participant) to receive a more favourable taxation treatment in respect of their participation in the Plan; or

(6) to enable the Company to comply with any Applicable Law or any other legal requirement.

14.3 Listing Rules

At any time whilst any Security issued by any member of the Group is quoted on:

(1) the official list of the ASX, no amendment may be made except in accordance with and in

the manner stipulated (if any) by the Listing Rules; and

(2) the official list of the TSX-V, no amendment may be made except in accordance with and in the manner stipulated (if any) by the listing rules of the TSX-V.

14.4 Retrospectivity

Subject to the above provisions of this Rule 14, any amendment made under the provisions of Rule 14.1 may be given such retrospective effect as is specified in the resolution by which the amendment is made and, if so stated, amendments to these Rules, including the terms and conditions applicable to any Security or class of Security issued under this Plan, have the effect of automatically amending the terms and conditions of those Securities issued and still subject to these Rules.

14.5 Eligible Persons outside Australia

The Plan Committee may make any additions, variations or modifications to the Rules, in relation to the implementation of the Plan and the specific application of the Rules, to Eligible Persons residing outside Australia, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to that Eligible Person, a company in the Group or the Plan.

15. Financial assistance

Subject to the requirements of any Applicable Law, the Company may provide financial assistance to an Eligible Person in connection with the issue or exercise of any right attaching to a Security, or a class of a Security under the Plan.

16. Rights of Participants

16.1 No conferred rights

These Rules:

(1) do not confer on any Employee the right to receive any Security, other than as expressly provided for in accordance with these Rules;

(2) do not confer on a Participant the right to continue as an Employee or otherwise affect any of the terms and conditions upon which an Employee is and continues to be employed by any member of the Group;

(3) do not affect any rights which any member of the Group may have to terminate the employment or engagement of a Participant; and

(4) may not be used to increase damages in an action brought against any member of the Group in respect of that termination.

16.2 Voting at general meetings

Participants will not, in their capacity as a Participant, have any right to attend or vote at general meetings of the Shareholders or of any other shareholders of any member of the Group.

17. Notices

Notices may be given by the Company to Participants in any manner that the Plan Committee may from time to time determine.

18. Severance

If any of these Rules are void, voidable or unenforceable, that provision will be severed and the remainder of these Rules will have full force and effect.

19. Governing law and jurisdiction

These Rules and the rights and obligations of Participants under the Plan are governed by the law of New South Wales and the Commonwealth of Australia, and each Participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and the Commonwealth of Australia.

20. Advice

Eligible Persons should obtain their own independent advice on the financial, taxation and other consequences to them of or relating to participation in the Plan.

21. Data Protection

21.1 Collection and purpose

The Company may need to collect certain required personal information about Eligible Persons for the Purpose. If this personal information is not provided to the Company, the Company may not be able to achieve the Purpose.

21.2 Consent

Without limitation to any of the other Rules, by completing and returning the Application Form, an Eligible Person or where applicable, each Authorised Nominee, will thereby be deemed to have authorised and instructed each member of the Group, the Board and all other officers of the Company and any director, officer or agent of any such member, to:

(1) collect, disclose and transfer between each other (including those located outside Australia) any personal information of that Eligible Person or where applicable, that Authorised Nominee, as any member of the Group may request;

(2) disclose any personal information of that Eligible Person or where applicable, that Authorised Nominee, to the Australian Taxation Office, ASX, ASIC or any governmental agency or authority as may be required in connection with the administration of the Plan; and

(3) store and process personal information of that Eligible Person or where applicable, that Authorised Nominee,

in accordance with the Purpose. An Eligible Person or where applicable, each Authorised Nominee, may withdraw this authorisation by notice in writing.

21.3 Access to personal information

An Eligible Person or where applicable, that Authorised Nominee, may access any personal information held by any member of the Group by contacting the Company Secretary of the Company and may require any of that personal information to be corrected if that personal information is inaccurate or incomplete.

Annexure A - Early Release of Holding Lock

Column 1	Column 2
Event	**Adjustment to Holding Lock**
You demonstrate to the satisfaction of the Plan Committee that you are experiencing severe financial hardship.	At the discretion of the Plan Committee, sufficient Shares acquired as a result of the vesting and exercise of Options or the Conversion of any Restricted Stock Units will be released from the Holding Lock as the Plan Committee decides, in all the applicable circumstances, are sufficient to relieve your severe financial hardship.
Your employment with the Company and all other Group Companies ceases due to a Special Circumstance.	All the Shares acquired as a result of the vesting and exercise of Options or the Conversion of any Restricted Stock Units will be released from the Holding Lock upon the date of cessation of your employment with the Company and all other Group Companies (or as soon as practicable thereafter) as a result of a Special Circumstance.
Your employment with the Company and all Group Companies is terminated for reasons other than a Special Circumstance.	(a) Fifty per cent. (50%) of the Shares acquired as a result of the vesting and exercise of Options or the Conversion of any Restricted Stock Units will be released from the Holding Lock upon the date of cessation of your employment with the Company and all other Group Companies (or as soon as practicable thereafter) other than as a result of a Special Circumstance, with the remaining fifty per cent. (50%) of the Shares acquired as a result of the vesting and exercise of Options or the Conversion of any Restricted Stock Units under the provisions of the Plan, to be subject to the Holding Lock until the earlier to occur of the first anniversary of the date of the cessation of your employment with the Company and all other Group Companies other than as a result of a Special Circumstance; and (b) the date of the expiry of the Holding Lock Period.
A Control Event occurs after the Vesting Date.	All the Shares acquired as a result of the vesting and exercise of Options or the Conversion of any Restricted Stock Units under the provisions of the Plan will be released from the Holding Lock on the earlier to occur of the date of a Control Event first occurring and a date determined by the Board.

Annexure B - Letter of Offer

[Date]

[Insert Name]
[Insert Address]
[Address]

Dear [Insert Name]

Austral Gold Limited - Stock Incentive Plan

1. Invitation

As recognition of your continuing commitment to Austral Gold Limited ABN 30 075 860 472 (**Company**), the Board of Directors of the Company (**Board**) would like to invite you to participate under the Austral Gold Limited Stock Incentive Plan (**Plan**).

This invitation is made on the terms and conditions contained in the rules of the Plan (**Rules**) and on the specific terms and conditions of this letter of invitation, which are detailed below. This invitation is accompanied by a copy of the Rules. **You should read all the terms and conditions and the Rules carefully**, and as noted in Paragraphs 12 and 13 below, seek independent legal, taxation and/or financial advice. Please be aware that the content of this letter does not include all the Rules.

A capitalised term used in this letter of invitation has the same meaning as given to that term in the Rules.

2. Offer

You are invited to apply for up to:

(a) [insert number] Options; and/or

(b) [insert number] Restricted Stock Units,

[(collectively **Securities**, and generically referred to as a **Security**) each to be issued under, and subject to the terms of, the Rules.

You may accept and apply for the whole or any lesser number of Securities.

The offer contained in this letter of invitation (**Offer**) will remain open until [insert date], and if not accepted by that date, the Offer will cease to be capable of being be accepted, unless extended by the Company.

3. Date of Grant and Exercise

Subject to the terms and conditions of the Rules and this invitation, the Securities that are the subject of the Offer, will be:

(a) granted to you immediately after your application in response to the Offer has been received and accepted by the Board; but

(b) only capable of being exercised after each of the Vesting Conditions and/or the Conversion Conditions (as are applicable) have been satisfied or waived.

4. Grant Price

No amount is payable by you upon or in consideration of your acceptance or the grant of any of the Securities.

5. Option Exercise Price

Subject to any adjustment under the Rules, the Exercise Price for each Option will be determined in

accordance with the provisions of Rule 5.5, namely, being such price as is selected by the Board or the Plan Committee and disclosed by the Board or the Plan Committee, each in accordance with the provisions of Rule 5.2.

For the sake of clarity, there will be no payment payable by you for the issuance of any Option or Restricted Stock Unit or upon the Conversion of any Restricted Stock Unit.

6. Vesting Conditions for Options

The Options will vest and only become exercisable in accordance with the following schedule and provisions of this Paragraph 6 (collectively **Vesting Conditions**):

Number of Options	Vesting Date
One third (in number) of the Options (**First Tranche Options**)	first anniversary of Option Issue Date
One third (in number) of the Options (**Second Tranche Options**)	second anniversary of Option Issue Date
One third (in number) of the Options (**Third Tranche Options**)	third anniversary of Option Issue Date

For the purposes of the Vesting Conditions, the Offer and the Rules, the issue date of an Option will be the date of issue of that Option as recorded in the register of holders of options (**Options Register**), as maintained by the Company.

In the event that an Option Holder or the person who nominated that person or entity to be issued with any or all of the Options under the provisions of the Plan, ceases to be:

(a) an employee or independent contractor of the Company or any Associated Company;

(b) a director of the Company or any Associated Company; or

(c) otherwise engaged by or associated with the Company or any Associated Company in a manner deemed to be sufficient by the Board to enable that Option Holder or person to participate in the Plan,

any Options that have not vested in that Option Holder prior to that date of cessation will, on and from that date of cessation no longer be permitted to vest in that Option Holder and be of no further effect or value.

Any Options that do not vest in accordance with the terms of the Vesting Conditions, the Offer and the Rules will automatically lapse, be removed from the Options Register and be of no further effect or value.

7. Exercise Period for Options

7.1 Subject to the Rules and to satisfaction or waiver of the Vesting Conditions applicable to the relevant Options, the period during which any Option may be exercised (**Exercise Period**) commences on and includes the first day after the applicable Vesting Date for those Options and ends on and includes the date set out below in respect of that Option (**Last Exercise Date**):

(1) in relation to each of the First Tranche Options – the earlier to occur of:

(a) the third anniversary of the Date of Grant of the First Tranche Options; and

(b) the occurrence of a Buyback Event in respect of the Participant that holds the First Tranche Options, or in respect of the Eligible Person who nominated or Controls the holder of the First Tranche Options;

(2) in relation to each of the Second Tranche Options –the earlier to occur of:

(a) the fourth anniversary of the Date of Grant of the Second Tranche Options; and

(b) the occurrence of a Buyback Event in respect of the Participant that holds the Second Tranche Options, or in respect of the Eligible Person who nominated or Controls the holder of the Second Tranche Options; and

(3) in relation to each of the Third Tranche Options – the earlier to occur of:

(a) the fifth anniversary of the Date of Grant of the Third Tranche Options; and

(b) the occurrence of a Buyback Event in respect of the Participant that holds the Third Tranche Options, or in respect of the Eligible Person who nominated or Controls the holder of the Third Tranche Options.

7.2 Any First Tranche Option that has not been exercised before the expiry of its applicable Last Exercise Date (each an **Outstanding First Tranche Option**) will lapse, be cancelled and be of no further effect or value. However, the number of Outstanding First Tranche Options will be added to the number of Second Tranche Options.

Further, any Second Tranche Option that has not been exercised before the expiry of its applicable Last Exercise Date (each an **Outstanding Second Tranche Option**) will lapse, be cancelled and be of no further effect or value. However, the number of Outstanding Second Tranche Options will be added to the number of Third Tranche Options.

8. Restricted Stock Units

If and to the extent that the Offer includes the offer to you of any Restricted Stock Units under the provisions of the Plan, in particular you should read all of the provisions of Rule 9. In accordance with the provisions of Rule 9:

(1) the Restriction Period applicable to the Restricted Stock Units will expire on the first anniversary of their respective dates of Conversion into Shares;

(2) the Restricted Stock Units will be permitted to be Converted into Shares upon satisfaction or waiver of the applicable Conversion Conditions on or before the Last Conversion Date;

(3) without limitation to the provisions of Paragraph 8(2), for the purpose of the Offer will be:

(a) the Vesting Conditions stated or referred to in Rule 6(2);

(b) the Conversion Conditions stated or referred to in Rule 9.3(2)(d); and

(c) , further conditions of vesting applicable to that Restricted Stock Unit will be:

(i) ###;

(ii) ###; and

(iii) ###; and

each of which conditions must have been either satisfied or waived by the Plan Committee by no later than ### or such later date as may be specified by the Plan Committee in writing, but which date must in any event occur on or before than the third anniversary of the Date of Grant of that Restricted Stock Unit;

(4) upon the occurrence of a Buyback Event applicable to any Restricted Stock Unit as specified in the Restricted Offer, the Participant who holds that Restricted Stock Unit will be obliged to Dispose of that Restricted Stock Unit as directed by the Company and in consideration for the issue of shares or a cash payment, as determined by the Plan Committee;

(5) the Participant who holds a Restricted Stock Unit accepts in consideration of the Disposal of that Restricted Stock Unit upon the Conversion of that Restricted Stock Unit into a Share, either, and as determined by the Plan Committee:

(a) the issue of a Share or that number of Shares that would have been issued upon Conversion of that Restricted Stock Unit, in the name of the Participant or if applicable its Authorised Nominee;

(b) a cash payment to the Participant that is equal to the product of the number of Shares that would have otherwise been issued to the Eligible Person or its nominee and the VWAP of a Share, as determined at the date of Conversion; or

(c) a combination of the two forms of consideration referred to in sub-paragraphs (a) and (b) immediately above;

(6) the Participant who holds a Restricted Stock Unit will be not entitled to exercise in respect of that Restricted Stock Unit, any of the rights that any Shareholder of a Share holds; and

(7) if for any reason all the Conversion Conditions applicable to any Restricted Stock Units have not either been satisfied or waived by the Plan Committee in its absolute discretion, on or before the Last Conversion Date:

(a) the Participant who holds those Restricted Stock Units will thereupon cease and be longer entitled to Convert any of those Restricted Stock Units; and

(b) all those Restricted Stock Units will thereupon lapse and cease to be of any effect or value.

9. Disposal Restrictions

9.1 Except where either an Option or Restricted Stock Unit may be transferred in accordance with the Rules, an Option or Restricted Stock Unit (and any interest therein):

(1) is personal to you or your nominated holder of the Option or Restricted Stock Unit (each a **Security Holder**);

(2) may not be exercised by any person other than the Security Holder; and

(3) may not be Disposed of, or any Security Interest granted or created over it or otherwise dealt with by any person other than the Security Holder.

Any exercise or purported exercise of any right attaching to an Option or Restricted Stock Unit by any person other than the Security Holder, or any Security Interest granted or created, or any disposal or dealing by any person other than the Security Holder or anyone else in contravention of this restriction, will not be recognised in any manner by the Company.

9.2 For the purposes of this Letter of Offer, the following Buyback Events will apply to [each/## per cent.] of the Securities that are the subject of the Offer as set out in this Letter of Offer:

(1) ###;

(2) ###;

(3) ###,

(each for the purposes of this Letter of Offer, a Buyback Event).

9.3 Subject to the provisions of Rule 5.2(5), Rule 5.2(6) and Rule 11.4(2)(a) of the Plan, a Share acquired as a result of the exercise of an Option or the Conversion of a Restricted Stock Unit must not be sold, transferred or otherwise Disposed of:

(1) before the first anniversary of the date of issue of that Share; and

(2) if doing so would, if applicable to the Company, result in a breach of or non-compliance with, the Listing Rules, the ASX Settlement Operating Rules of ASX Settlement Pty Ltd ACN 008 504 532 (if applicable) or any other Applicable Law, the Company's Securities Trading Policy or the provisions of any restriction agreement with the Company or you.

9.4 Without limitation to the provisions of Rule 92 or Rule 9.3, upon the occurrence of a Buyback Event, the Participant must Dispose of any number of Securities that are the subject of this Letter of offer, or of any share that that Participant has acquired as a result of the exercise of any right attaching to that Security, in accordance with the written instructions of the Plan Committee, including the Disposal of that Security to the Company or any other member of the Group, or to any other person that the Company directs.

9.5 Without limitation to the provisions of Rule 10, a Holding Lock may be applied over a Security in order to enforce any of the provisions in this clause 9.

10. Other terms and conditions

10.1 An application in response to the Offer must be accepted by the Board or the Plan Committee acting on behalf of the Board, before the Security Holder will become entitled to be a Participant.

10.2 To the extent of any inconsistency between on the one hand, the provisions of this letter of invitation and the Offer, and on the other, the Rules, the latter will be paramount.

10.3 Any or all of these terms and conditions of this letter of invitation, the Offer and the Rules may be amended unilaterally by resolution of the Board or the Plan Committee where the Board or the Plan Committee considers it reasonably necessary to do so, unless such amendment materially and adversely affects a right of the Security Holder pursuant to this Letter of Offer, the Offer and the Rules. The Security Holder will be notified of any amendment to any term or condition of the Rules.

11. Tax

11.1 The Company recommends and advises that you consult your taxation or financial adviser in relation to the taxation implications of participating in the Plan. The tax considerations outlined below are general in nature and do not take into account your specific taxation circumstances. Those taxation consequences of your acceptance of the Offer and participation in the Plan may vary depending upon your particular circumstances. Accordingly, you should seek your own independent taxation advice before applying to participate in the Plan.

11.2 The following analysis is based on the law in force, and administrative practice of the Commissioner of Taxation (**Commissioner**), as at ##, 2020. Changes to the law or the way the Commissioner administers the law may result in different tax treatment of any of the Securities that are the subject of an Offer. You should be aware that the ultimate interpretation of the taxation law rests with the courts.

11.3 The following analysis assumes that you are, and will remain, an Australian resident for taxation purposes. You should note that there are particular taxation consequences for non-residents or for residents whose tax residency status changes.

Employee Share Scheme Provisions

11.4 The employee share scheme provisions in Division 83A of the *Income Tax Assessment Act 1997* (**Tax Act**) will have application to Securities granted to the Security Holder under the Plan. In addition Capital Gains Tax (**CGT**) may also be payable on the sale or exercise of any rights attaching to of any Securities that a Security Holder sells or otherwise Disposes of.

11.5 Broadly, under Division 83A of the Tax Act, where the Security Holder acquires a right to acquire a beneficial interest in a Security under an employee share option scheme, the assessable income of the Security Holder will include and be increased by any 'discount' from the market value of that Security as determined on the date on which the Security Holder is granted the Security (**Discount**). Given that the Security Holder will not be required to pay any consideration for the grant of the Security, the Discount will be equal to the value of the Security, determined on the date of its grant or issue. That value will, in turn, be a function of the duration of the Exercise Period of the Security and the difference between the stated Exercise Price or, as may be applicable, the Conversion Price, of the Security and the value of a Security at the date of its grant or issue.

11.6 If the Security Holder does not meet the conditions for tax deferral, the Security Holder is likely to be taxed on the value of its Security in the income year in which they are granted or issued.

12. Financial advice

Any advice given by or on behalf of the Company in connection with this letter of invitation or the Offer is general advice only. The Security Holder should consider obtaining its own financial advice from an independent person who is licensed by the Australian Securities and Investments Commission to give that advice.

13. Market price

If you would like to know the current market value of the Shares or any other Security the subject of this Offer before applying for the Securities that are the subject of this Offer, please contact [insert name of contact].

14. Application by Eligible Person and, if applicable, Authorised Nominee

I, [INSERT NAME OF ELIGIBLE PERSON] (Applicant)

AND

I, [INSERT NAME OF AUTHORISED NOMINEE OF APPLICANT, IF APPLICABLE]

OR

IF THE AUTHORISED NOMINEE IS A BODY CORPORATE, INSERT

I, , being a director of ### Pty Limited ACN ###] (**Authorised Nominee**), and for and on behalf of the Applicant, and

as conclusively evidenced by my signature below, hereby:

(1) apply to receive and be issued with:

(a) ### Options; and/or

(b) ### Restricted Stock Units,

[AMEND AS APPLICABLE] under the Offer (each a **Security**);

(2) confirm and direct that upon acceptance of this Application by the Board or the Plan Committee acting on behalf of the Board:

(a) the Securities referred to in Paragraph 15(1) above; and

(b) any Share issued pursuant to the exercise of an Option or the Conversion of a Restricted Stock Unit, in accordance with the Rules,

should be issued to and in the name of the Applicant;

(3) agree that upon issue of any or all of the Securities that are the subject of the Offer, the Applicant or, if applicable the Authorised Nominee, will thereupon become and remain a member of the Company after the registration of their name on the register of members of the Company and will comply with the provisions of the Constitution;

(4) acknowledge and undertake that while any Securities that are registered in the name of the Applicant or, if applicable the Authorised Nominee, are subject to a Holding Lock, the Applicant and, if applicable the Authorised Nominee, will be unable to Dispose of or otherwise deal or purport to deal with any or all of those Securities; and

(5) I declare that I:

(a) have received the Rules;

(b) have read and understood the Offer for the Securities set out in this Letter of Invitation and the Rules; and

(c) agree to be bound by the terms and conditions of this Letter of Invitation, the Offer and the Rules (as amended from time to time) and the Constitution.

……..... …….

Signature of, or on behalf of, Applicant Date

……..... …….

Signature of, or on behalf of, Authorised Nominee Date

Important Notes

1. You do not need to send any money when returning this letter.

2. To apply for Securities that are the subject of this Letter of Offer, please arrange for the return of a copy of this letter signed by the Applicant and/or if applicable, the Authorised Nominee, to [insert name] and retain a copy of that signed Letter of Offer for the personal records of the Applicant and/or if applicable, the Authorised Nominee.

A signed counterpart of this Letter of Offer must be received at the above address and/or by pdf to the following email address: [ ] by no later than 5.00 p.m. (Sydney time) on [insert date].

Yours faithfully

[Insert name]
[Insert title]

Annexure C - Notice of Exercise

To: The Directors
Austral Gold Limited ABN 30 075 860 472 (**Company**)

I, (full name) of (**Option Holder**), hereby:

1. exercise the following Options in accordance with the Rules of the Stock Incentive Plan of the Company (**Rules**):

Number of Options exercised (each an **Exercised Option**): (*multiples of 1,000 only or all of the Options numbered on a given Certificate*)	[#insert]
Number of Shares to be issued on exercise of the Exercised Options (**Resulting Shares**):	One (1) fully paid ordinary share in the Company for each Exercised Option
Exercise Price:	A$[#insert] per Exercised Option

2. direct the Company to issue the Resulting Shares to the following person (**Proposed Shareholder**):

Full Name	[#insert]
ACN (if applicable)	[#insert]
Country of incorporation (if not Australia)	[#insert]
Address	[#insert]

3. enclose:

   (a) a [cheque/money order/bank draft] in favour of the Company in respect of the total Exercise Price payable on the exercise of the number of Exercised Options specified above; and

   (b) if applicable the written:

      (i) consent of the Proposed Shareholder to be a member of the Company;

      (ii) agreement of the Proposed Shareholder to be bound by the Company's Constitution and accepts the Resulting Shares subject to the terms and conditions of the Constitution; and

      (iii) authorisation by the Proposed Shareholder for the Company to enter its name in the Company's register of members in respect of the Resulting Shares.

By signing this Exercise Notice the Option Holder confirms that he/she/it is the registered holder of the total number of Exercised Options specified above and is entitled to exercise each of those Exercised Options in accordance with the Rules.

Date: 20##

Option Holder

Option 1: Natural person

Signature of Option Holder

Option 2: Company incorporated in Australia

Executed by [***insert name and ACN of Option Holder***] in accordance with section 127 of the *Corporations Act* 2001 (Cth):	)))
Signature of director/sole director and company secretary	Signature of director/company secretary
Name of sole director and company secretary	Name of director/company secretary

Proposed Shareholder (if different from Option Holder)

Option 1: Natural person

Signature of Proposed Shareholder

Option 2: Company incorporated in Australia

Executed by [***insert name and ACN of Proposed Shareholder]*** in accordance with section 127 of the *Corporations Act* 2001 (Cth):	)))
Signature of director/sole director and company secretary	Signature of director/company secretary
Name of sole director and company secretary	Name of director/company secretary

Option 3: Company incorporated outside of Australia

INSERT RELEVANT EXECUTION BLOCK APPLICABLE TO THE JURISDICTION OF INCORPORATION OF THAT FOREIGN COMPANY PARTICIPANT

AUSTRALGOLD
ACN 075 860 472

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

AGD

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **8:00 AM (AEDT) on Sunday, 10 January 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form: XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 I N D

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Austral Gold Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** _____

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Austral Gold Limited to be held as a virtual meeting on Tuesday, 12 January 2021 at 8:00 AM (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and 9 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Austral Gold Limited Stock Incentive Plan	☐	☐	☐
Resolution 2	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Eduardo Elsztain	☐	☐	☐
Resolution 3	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Saul Zang	☐	☐	☐
Resolution 4	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Pablo Vergara Del Caril	☐	☐	☐
Resolution 5	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Robert Trzebski	☐	☐	☐
Resolution 6	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Ben Jarvis	☐	☐	☐
Resolution 7	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Wayne Hubert	☐	☐	☐
Resolution 8	Issue of Securities under Austral Gold Limited Stock Incentive Plan to Stabro Kasaneva	☐	☐	☐
Resolution 9	Issue of Restricted Securities of Austral Gold Limited to Stabro Kasaneva	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**	
			/ /
Sole Director & Sole Company Secretary	**Director**	**Director/Company Secretary**	**Date**

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number	**Email Address**

Computershare

AUSTRALGOLD
ACN 075 860 472

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

AGD
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **8:00 AM (AEDT) Sunday, 10 January 2021.**

Austral Gold Limited Extraordinary General Meeting

This year, as part of the Australian Government's response to the Coronavirus crisis, temporary modifications have been made to the *Corporations Act 2001* under the *Corporations (Coronavirus Economic Response) Determination (No.3) 2020*. These modifications allow notices of meeting, and other information regarding a meeting to be provided online where it can be viewed and downloaded. We are relying on technology to facilitate shareholder engagement and participation in the meeting. Details of where you can access the notice of meeting, lodge a proxy and participate in the meeting are contained in this letter.

Meeting date and location:

The Extraordinary General Meeting of Austral Gold Limited will be a virtual meeting, which will be conducted online on Tuesday, 12 January 2021 at 8:00 AM (AEDT).

Attending the meeting online:

If you choose to participate online on the day of the meeting you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your vote in real time.

To participate online you will need to visit web.lumiagm.com/313185158 on your smartphone, tablet or computer.

You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at http://www.computershare.com.au/virtualmeetingguide

Access the meeting documents and lodge your proxy online:

Online:

Access the meeting documents and lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

AUSTRALGOLD
ABN 30 075 860 472

Computershare
8th Floor, 100 University Avenue
Toronto, Ontario M5J 2Y1
www.computershare.com

Security Class

Holder Account Number

Fold

Form of Proxy - Extraordinary General Meeting to be held on Tuesday, January 12, 2021 in Sydney Australia

This Form of Proxy is solicited by and on behalf of Management.

Notes to proxy

1. **Every holder has the right to appoint some other person or company of their choice, who need not be a holder, to attend and act on their behalf at the meeting or any adjournment or postponement thereof. If you wish to appoint a person or company other than the persons whose names are printed herein, please insert the name of your chosen proxyholder in the space provided (see reverse).**
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you must sign this proxy with signing capacity stated, and you may be required to provide documentation evidencing your power to sign this proxy.
3. This proxy should be signed in the exact manner as the name(s) appear(s) on the proxy.
4. If this proxy is not dated, it will be deemed to bear the date on which it is mailed by Management to the holder.
5. **The securities represented by this proxy will be voted as directed by the holder, however, if such a direction is not made in respect of any matter, this proxy will be voted as recommended by Management.**
6. The securities represented by this proxy will be voted in favour or withheld from voting or voted against each of the matters described herein, as applicable, in accordance with the instructions of the holder, on any ballot that may be called for and, if the holder has specified a choice with respect to any matter to be acted on, the securities will be voted accordingly.
7. This proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the meeting or any adjournment or postponement thereof.
8. This proxy should be read in conjunction with the accompanying documentation provided by Management.

Fold

Proxies submitted must be received by 8:00 AM (Pacific Time) on Thursday, January 7, 2021.

VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!

To Vote Using the Telephone

- Call the number listed BELOW from a touch tone telephone.

1-866-732-VOTE (8683) Toll Free

To Vote Using the Internet

- Go to the following web site: www.investorvote.com
- **Smartphone?** Scan the QR code to vote now.

If you vote by telephone or the Internet, DO NOT mail back this proxy.

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.
Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the Management nominees named on the reverse of this proxy. Instead of mailing this proxy, you may choose one of the two voting methods outlined above to vote this proxy.

To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.

CONTROL NUMBER

01O7VB

Appointment of Proxyholder

I/We being holder(s) of Austral Gold Limited hereby appoint:
The Chairman of The Meeting

OR

Print the name of the person you are appointing if this person is someone other than the Chairman of The Meeting.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Austral Gold Limited to be held virtually on Tuesday, January 12, 2021 at 8.00 AM (Sydney Time) and at any adjournment or postponement of that Meeting.

Important for Resolutions 1 to 9: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on, and in connection with, Resolutions 1 to 9 even though Resolutions 1 to 9 are connected directly or indirectly with the remuneration of a member of key management personnel for the Austral Gold group. (Note: If you do not want the Chairman of the Meeting to vote as your proxy in favour of Resolutions 1 to 9, you need to direct your proxy to vote against or to abstain from voting on the Item by marking the appropriate box in step 2 below.)

VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT OVER THE BOXES.

Items of Business:	For	Against	Abstain
1. Adoption of Austral Gold Limited Stock Incentive Plan	☐	☐	☐
2. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Eduardo Elsztain	☐	☐	☐
3. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Saul Zang	☐	☐	☐
4. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Pablo Vergara Del Caril	☐	☐	☐
5. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Robert Trzebski	☐	☐	☐
6. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Ben Jarvis	☐	☐	☐
7. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Wayne Hubert	☐	☐	☐
8. Issue of Securities under Austral Gold Limited Stock Incentive Plan to Stabro Kasaneva	☐	☐	☐
9. Issue of Restricted Securities of Austral Gold Limited to Stabro Kasaneva	☐	☐	☐

Fold

Fold

Authorized Signature(s) – This section must be completed for your instructions to be executed.

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting. **If no voting instructions are indicated above, this Proxy will be voted as recommended by Management.**

Signature(s)

Date

MM / DD / YY