Chairman's Address

Austral Gold Limited General Meeting – 27 November 2013

Company Update

By every measure, Financial Year 2013 has been a transformational year for Austral Gold Limited. The company has delivered record gold and silver production, achieved significant exploration success, and delivered on its corporate objectives.

All these achievements underpin Austral Gold's continued growth for the 2014 financial year and beyond.

It is encouraging to note that Austral Gold has again delivered record production at the company's flagship Guanaco project in Chile. Gold production for the year to June was 39,847 ounces of gold, and 77,404 ounces of silver which equates to 41,446 gold equivalent ounces.

This is a pleasing development for Austral Gold and reflects the hard work and commitment of our dedicated and talented operations team lead by our very capable Chief Operating Officer Stabro Kasaneva. Stabro and his team are to be commended for their efforts.

As we enter the 2014 financial year, we are witnessing continued growth in production which gives Austral Gold the financial flexibility to pursue additional growth prospects. In the quarter ended 31 September 2014 alone, Austral Gold produced 16,327 gold equivalent ounces which is a pleasing indicator of this growth and a record production performance for the company.

Whilst production growth is an important value driver for the company, exploration results, particularly at Guanaco, have been equally impressive. During the year, our exploration team implemented an active exploration program targeting two vein systems at Guanaco – Cachinalito and Despreciada – with previously unidentified mineralised systems discovered. We are confident that this exploration success will translate to an increased resource at Guanaco as more gold and silver ounces are defined.

During the year, Austral Gold took advantage of depressed equity markets to advance its strategy of building a leading South American focused precious metals company. We took the next step in this strategy by announcing a C$5 million investment in Argentex Mining Corporation which is listed on the TSX Venture Exchange. This investment was completed in July 2013.

Argentex is developing the 23.6 million ounce silver-equivalent indicated resource at the Pinguino Silver-Gold Project in Santa Cruz, Argentina. With Austral Gold's strong technical team and funding support, we are confident that we can add significant value to this project. As a first step, Austral Gold will hold a 19.9% stake in Argentex, and we have indicated that it is our intention to pursue some form of business combination with Argentex. Negotiations are ongoing and we look forward to reporting further information on this in 2014.

Our growth strategy was further enhanced when in October 2013, we announced that Austral Gold had closed a Subscription Agreement with Goldrock Mines Corp Limited (TSX-V: GRM) ("Goldrock") for 11,560,000 new shares (representing a 15% interest) for a total investment of C$9.3 million.

Goldrock holds 100% of the Lindero gold project in the northwest of Argentina which has total mineral reserves of 1.52 million ounces of gold (641,000 ounces proven and 878,000 ounces probable). We are encouraged by this investment and believe it represents compelling value. Argentina is an important focus for Austral Gold, and it is a market where we have considerable expertise and influence.

As we enter financial year 2014, Austral Gold is in its strongest position in the company's history, and we are confident that we now have the platform in place to create the next leading South American precious metals focused company.

Your Board is committed to this vision, and we have a number of new and exciting opportunities that we are pursuing. Our objective is to unlock the significant unrealised value in Austral Gold and deliver favourable returns for our committed shareholders.

An indication of our commitment here is one of the resolutions we will ask shareholders to vote on today; that is the Board's intention to return $0.006 per share to shareholders which represents a total return of just over $1 million. The Board is mindful of the fact that many of our shareholders have supported to company for some time and this proposed return is in recognition of this support.

Whilst precious metals markets have been volatile in 2013, we remain encouraged by the longer term prospects for gold and silver, and we believe the fundamentals for precious metals are still sound.

I would like to take this opportunity to thank shareholders for their continuing support for Austral Gold. Your company is well placed for success.

Competent Person's Statement

Dr Robert Trzebski is a Director of Austral Gold Limited. He has a Degree in Geology, a PhD in Geophysics, a Masters in International Project Management and has over 20 years professional experience in mineral exploration, project management and research and development.

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

Annual General Meeting

27 November 2013

AUSTRALGOLD

Guanaco Mine:
Processing plant

Guanaco Mine:
Heap leach pad

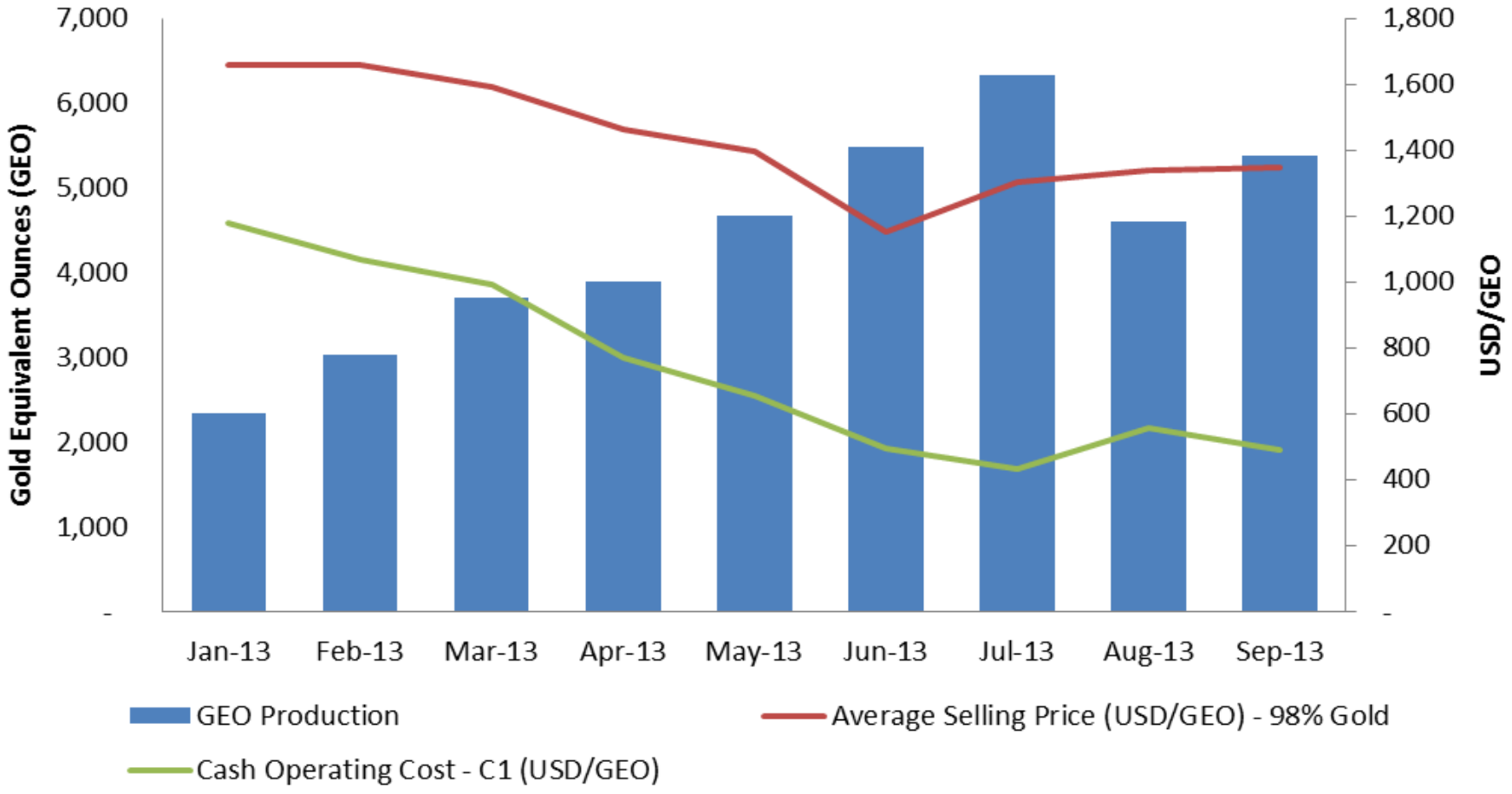
AUSTRALGOLD

Cacchinalito underground mine:
Jumbo blast drilling

Cacchinalito underground mine:
Scaling activity

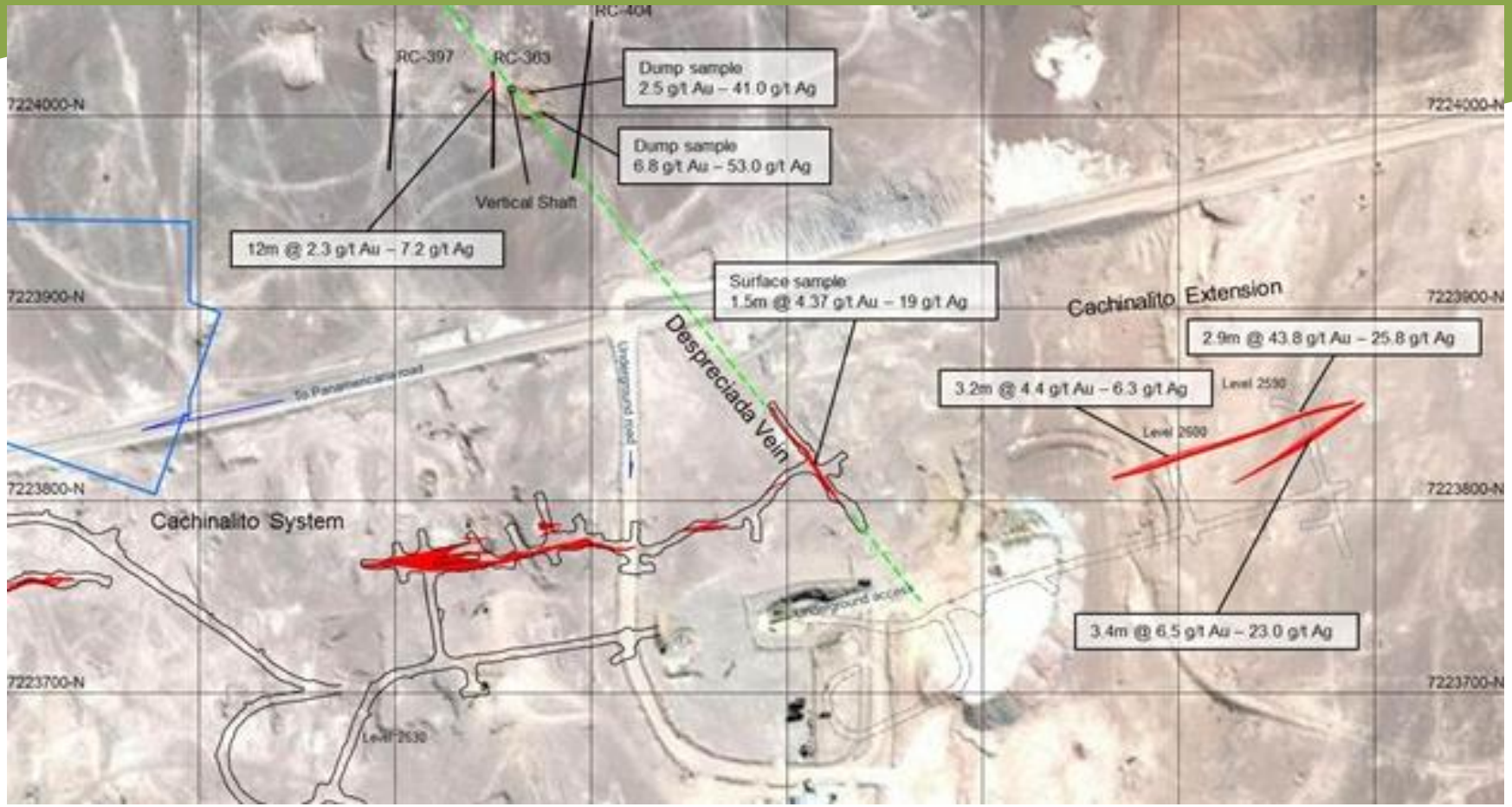
Guanaco Mine:
Dorē

Gold Equivalent Ounces (GEO) Production



Guanaco Mine:
Geologists undertaking sampling

Cachinalito Trend & Despreciada Vein

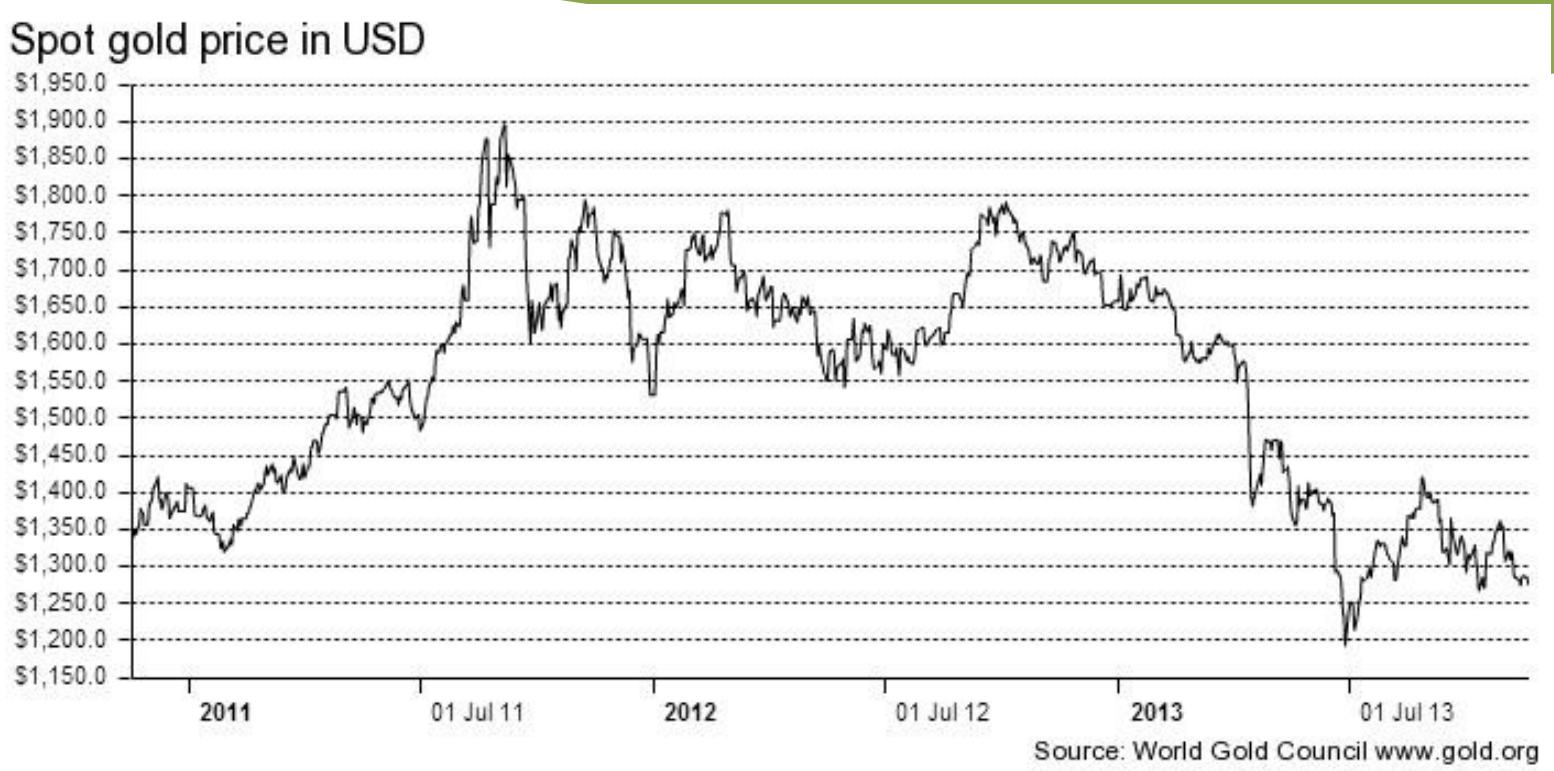


Argentex Mining:
Pinguino mine satellite image

ARGENTEX
MINING CORPORATION

Goldrock Mines Corp:
Lindero satellite image

Gold price:
2011 to 2013



Proxies

Resolution	No. Valid	For	Against	Abstaining	Open
Item 1: Receive and consider Financial Statements and Directors Report					
Item 2: Adoption of Remuneration Report	124,984	104,984	-	20,000	-
Item 3: Re-election of Mr Pablo Vergara del Carril	148,196,722	148,196,719	-	3	-
Item 4: Re-election of Dr Robert Trzebski	148,196,722	148,196,638	81	3	-
Item 5: Approve Total Aggregate Annual Remuneration to Non-Executive Directors	124,984	104,984	-	20,000	-
Item 6: Approval of Issue of Shares to Stabro Kasaneva	148,196,722	148,176,719	3	20,000	-
Item 7: Return of Capital to Shareholders	148,196,722	148,196,722	-	-	-
Item 8: Additional Issue Approval to issue 10% of Securities	148,196,722	148,196,722	-	-	-