Chairman's Address

Austral Gold Limited General Meeting – 28 November 2012

Company Update

Austral Gold holds three major mining and exploration assets. These comprise:

- two exploration areas in Argentina – 8 de Julio, Santa Cruz and San Juan
- and our flagship asset – the Guanaco gold and silver mine in northern Chile.

Our **Guanaco Gold and Silver** mine is wholly-owned by Austral Gold's and is the company's largest asset. It's located at an elevation of 2,700 meters, 200km south east of Antofagasta in Northern Chile. This area is home to the Palaecone / Eocene Belt and hosts several large gold and copper mining operations.

In the 2011 Calendar Year we produced 12,373 ounces of gold and 37,511 ounces of silver. In the 9 months to September this year we have produced 20,374 ounces of gold and are on track to produce 35,000 gold equivalent ounces for the full 2012 calendar year.

Cash generated from the sale of gold and silver enabled the repayment of US$2.3m to IFISA in May. Funds owing to IFISA at the end of September totalled $58.8 million US dollars.

At 30 September, we had $1.5 million cash in the bank and a further $2 million of gold bullion on hand.

These achievements have strengthened Austral Gold's financial footing and place it well to further improve operating and financial performance this year and beyond.

Welcome to the Austral Gold Annual General Meeting

ASX: AGD
www.australgold.com.au

28 November 2012

Guanaco: First Gold Pouring

Guanaco: Heap Leaching

Santa Cruz, Argentina

Guanaco: Cachinalito Ramp

Guanaco: Heap Leaching

Guanaco: Crusher at Chancado

San Juan: Exploration Camp

San Juan: Sampling

Guanaco: Safety Refuge

San Juan, Argentina

Guanaco: Underground Operations

Santa Cruz, Argentina

Guanaco: Exploration Drilling

Santa Cruz: Exploration Office

Guanaco: Sampling

Guanaco: Dumbo Pit

San Juan, Argentina

Guanaco: Underground Operations

Proxies

Resolution	No. Valid	For	Against	Abstaining	Open
Item 1: Receive and consider Financial Statements and Directors Report					
Item 2: Adoption of Remuneration Report	147,997,106	147,957,286	19,810	-	20,010
Item 3: Re-election of Mr Eduardo Elsztain	147,997,106	147,962,096	15,000	-	20,010
Item 4: Re-election of Mr Stabro Kasaneva	147,997,106	147,962,096	15,000	-	20,010
Item 5: Approval of additional capacity to issue 10% of securities	147,997,106	147,959,596	17,500	-	20,010
Item 6: Amendments to Austral Gold Limited Constitution – electronic communication	147,997,106	147,977,096	-	-	20,010

AUSTRALGOLD