



ASX:AGD | TSX-V:AGLD

# Annual Meeting of Shareholders

29 November 2017



# Disclaimer

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Statements in this presentation that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as “expects”, “intends”, “plans”, “may”, “could”, “potential”, “should”, “anticipates”, “likely”, “believes” and words of similar import tend to identify forward-looking statements. Forward-looking statements in this presentation include Ramp up and optimisation of new plant at Guanaco are expected to impact C1 and AISC until the end of the year (lower throughput and recovery), processing of high grade Amancaya ore and meeting design parameters of the agitation leach plant, combined with maintaining solid performance from Casposo, are expected to lift production and reduce costs in 2018, production guidance for calendar year 2017 (attributable) is estimated at ~80,000AuEq oz affected by the delayed in reaching the design parameters of the new plant (former target of ~95,000 AuEq oz) , exploration focus on brownfield activities at all 3 mining deposits. Continued focus on securing attractive value accretive projects and land holdings; such as San Guillermo and Reprado (Revelo Resources), Experienced operators in Chile and Argentina with significant growth potential, and self supporting cash flow.

There can be no assurance that current operations at Austral Gold’s mines will continue to be economical or that a commercially viable mineral deposit exists on any of Austral Gold’s properties other than Guanaco and Casposo. The above forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ, possibly to a material extent, from those expressed or implied, including, without limitation: the uncertainty of production and development plans and cost estimates for the Guanaco and/or Casposo mines; the advancement of the development of the Amancaya project to a pre-feasibility study stage; the continuing economic feasibility of the transportation of production of ore from the Amancaya open pit to the Guanaco plant; Austral Gold’s ability to add further commercially valueable mineral reserves and resources; differences in U.S., Australian and Canadian practices for reporting Mineral Reserves and Mineral Resources; lack of suitable infrastructure or damage to existing infrastructure; future development risks including start-up delays and cost overruns; Austral Gold’s ability to obtain adequate financing for further exploration and development programs and opportunities; delays in obtaining or failure to obtain governmental permits, or non-compliance with current or future permits; Austral Gold’s ability to attract and retain qualified personnel and management; potential labour unrest, including labour actions by unionized employees; the impact of governmental regulations, including health, safety and environmental regulations, including increased costs and restrictions on operations due to compliance with such regulations; reclamation and closure requirements for mineral properties; legislative, political or social changes; commodity price fluctuations; political or economic instability and unexpected regulatory changes; currency fluctuations; general economic and political conditions; and the requirement for further exploration before Austral Gold can evaluate whether it would be economically and legally feasible to develop or exploit certain minerals located on its properties.

## Technical Information

Technical information in this Presentation relating to the Amancaya, Pinguino and Casposo projects has been reviewed and approved by Michael Brown, MAIG, VP Corporate Development, an employee of Austral Gold. Technical Information in this Presentation relating to the Guanaco mine has been reviewed by Dr. Robert Trzebski, a director of Austral Gold. Dr Robert Trzebski is a fellow of the Australian Institute of Mining and Metallurgy (AUSIMM) and qualifies as a Competent Person as defined in the 2012 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 Presentation. Both Mr. Brown and Dr. Trzebski are both Qualified Persons and Competent Persons (as each term is defined in National Instrument 43-101 and as each term is defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves”) and consent to the inclusion in this Presentation of the aforementioned technical information that they have reviewed and approved.

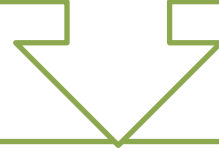
# Mineral Resources and Reserves: Cautionary Note

**Cautionary Note to US Investors Concerning Estimates of Mineral Reserves and Resources.** This Presentation has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all mineral reserve and resource estimates included in this Presentation have been prepared in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”) and the Canadian Institute of Mining, Metallurgy and Petroleum classification system. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission (“**SEC**”), and information concerning mineralization, deposits, mineral reserve and resource information contained or referred to herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, this Presentation uses the terms “measured resources”, “indicated resources” and “inferred resources”. U.S. investors are advised that, while such terms are recognized and required by Canadian securities laws, they are not recognized as such by the SEC. The requirements of NI 43-101 for identification of “reserves” are not the same as those applied by the SEC, and accordingly, reserves reported by Austral Gold in compliance with NI 43-101 may not qualify as “reserves” under SEC standards. Under U.S. standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part of a “measured resource” or “indicated resource” will ever be converted into a “reserve” as that latter term is interpreted and applied by the SEC. U.S. investors should also understand that “inferred resources” have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of any estimated “inferred resources” of Austral Gold or of any its subsidiaries exist, are economically or legally mineable or will ever be upgraded to a higher category. Under Canadian securities laws, estimated “inferred resources” may not form the basis of feasibility or pre-feasibility studies except in rare cases. Disclosure of “contained ounces” in a mineral resource is permitted disclosure under Canadian securities laws. However, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade, without reference to unit measures. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with U.S. SEC or securities law standards.

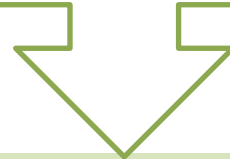
# Key Principles

**Establish position amongst leaders of precious metals miners, with the highest rates of safety and stewardship of the environment.**

Strive for the lowest operating costs among companies of the same scale



**Be the preferred partner for companies, communities and governments to operate precious metal projects in South America**



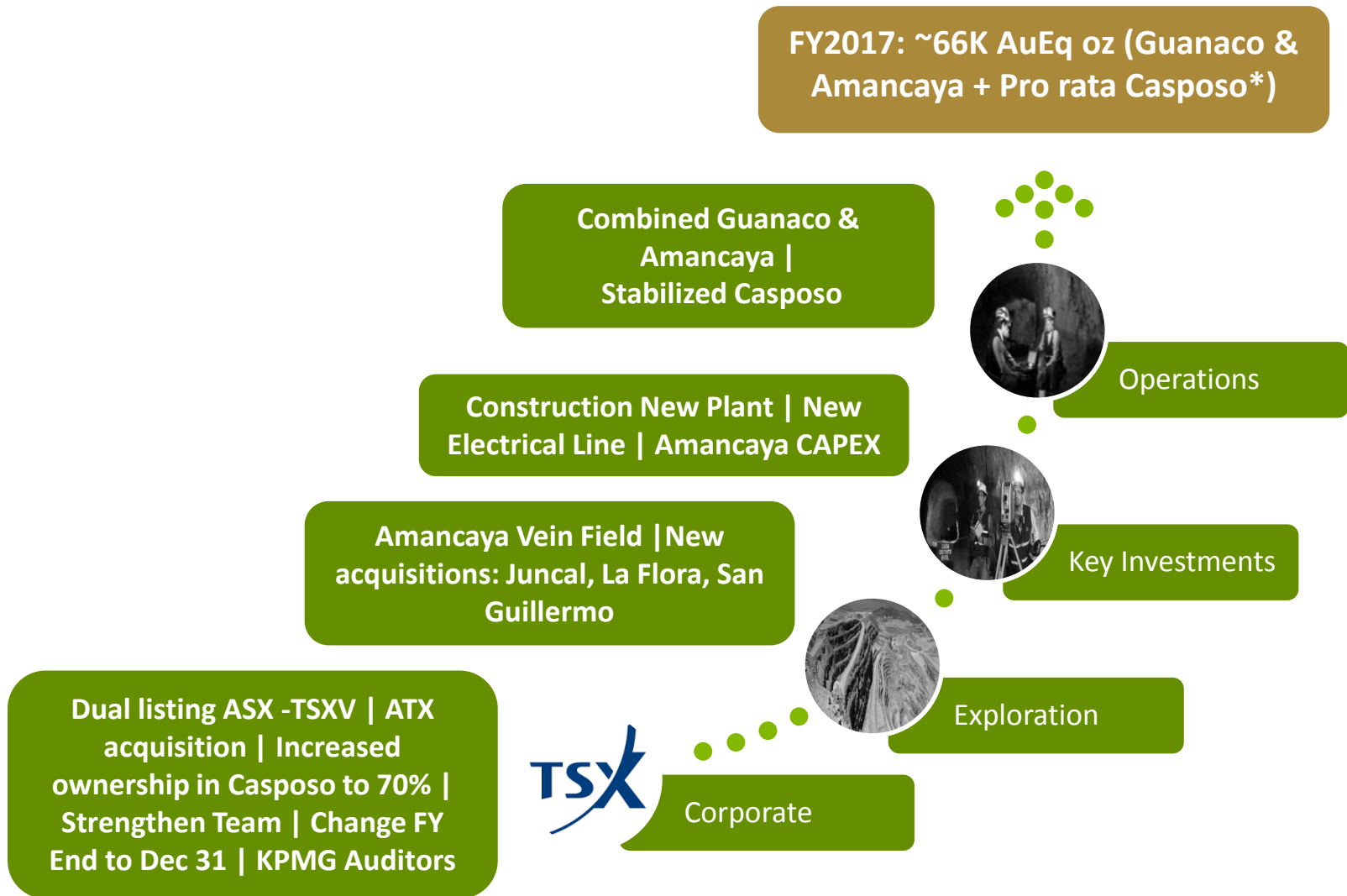
**Maximize value creation for shareholders**

# Our Mining Assets



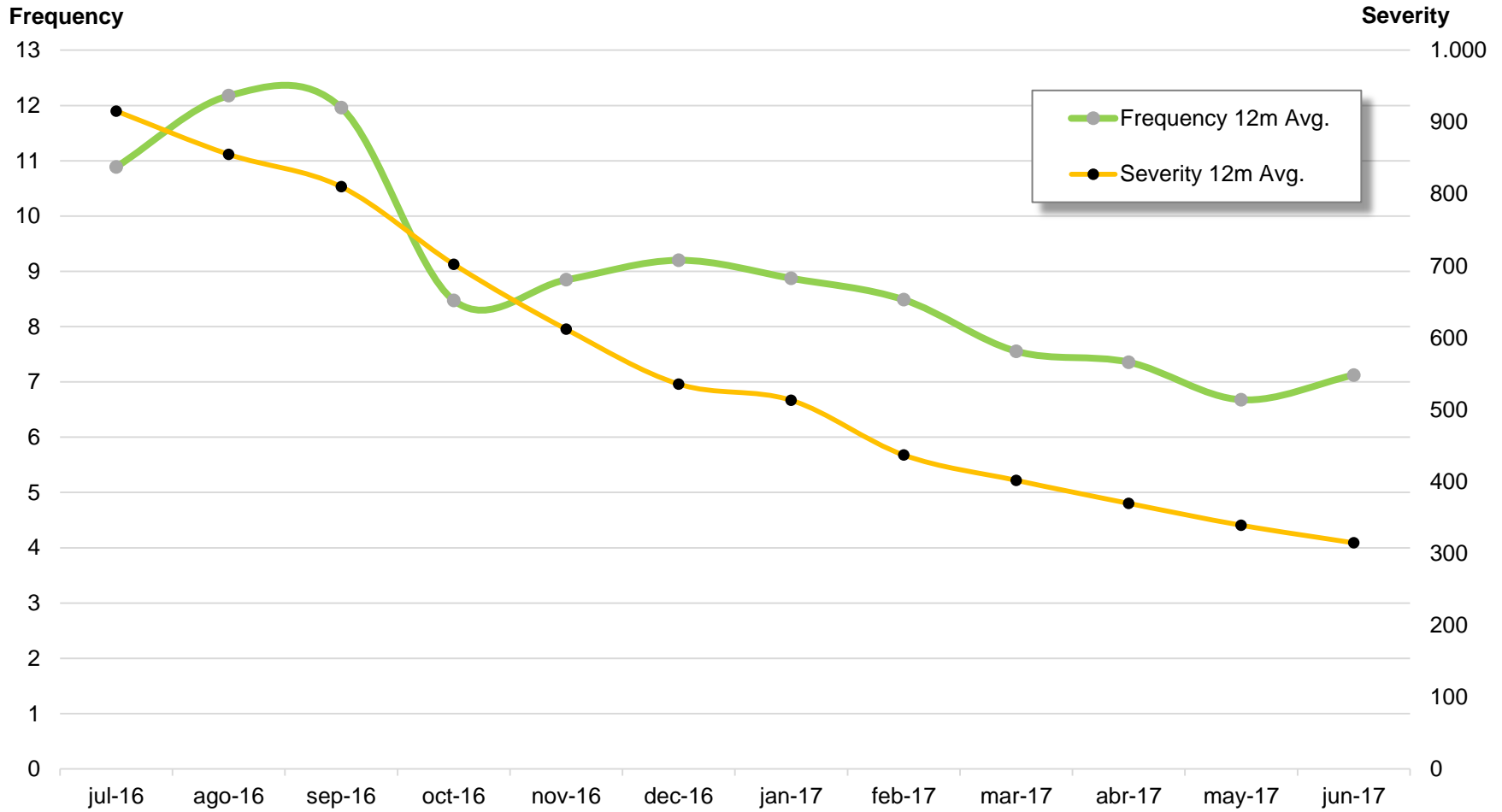
# FY17: Key Milestones

FY2017: ~66K AuEq oz (Guanaco & Amancaya + Pro rata Casposo\*)



\* Casposo 70% owned by March 2017 (~21K AeEq oz pro rata production net to Austral). Casposo production (100% basis) was ~36K AuEq oz.

# FY17: Safety Indicators



# FY17: Operating Results

| FY2017 (June 30)                         | Guanaco | Casposo * | Total FY17       | Total FY16 |
|--|---------|-----------|------------------|------------|
| Ore Processed (t)                        | 505,711 | 248,109   | <b>753,820</b>   | 502,257    |
| Gold Produced (oz)                       | 44,275  | 16,793    | <b>61,068</b>    | 39,776     |
| Silver Produced (oz)                     | 58,832  | 1,411,292 | <b>1,470,124</b> | 47,667     |
| Gold Equivalent Production (oz)          | 45,098  | 36,493    | <b>81,591</b>    | 40,439     |
| Casposo Gold Production (Pro rata) **    | 44,275  | 9,622     | <b>53,897</b>    | N/A        |
| Casposo Silver Production (Pro rata) **  | 58,832  | 811,662   | <b>870,494</b>   | N/A        |
| Gold Equivalent Production (Pro rata) ** | 45,098  | 20,952    | <b>66,050</b>    | N/A        |
| Cash Cost (US\$/AuEq oz) ****            | 759     | 998       | <b>849</b>       | 761        |
| All-in Sustaining Cost (US\$/AuEq oz)    | 908     | 1,280     | <b>1,049</b>     | 914        |

\*Casposo production includes the last three quarters of FY17 and also includes production during recommissioning

\*\*Austral owned 51% of Casposo from recommission until February 2017, when it increased its stake in Casposo to 70%

\*\*\*Gold Equivalent is based on a gold:silver ratio of 72x

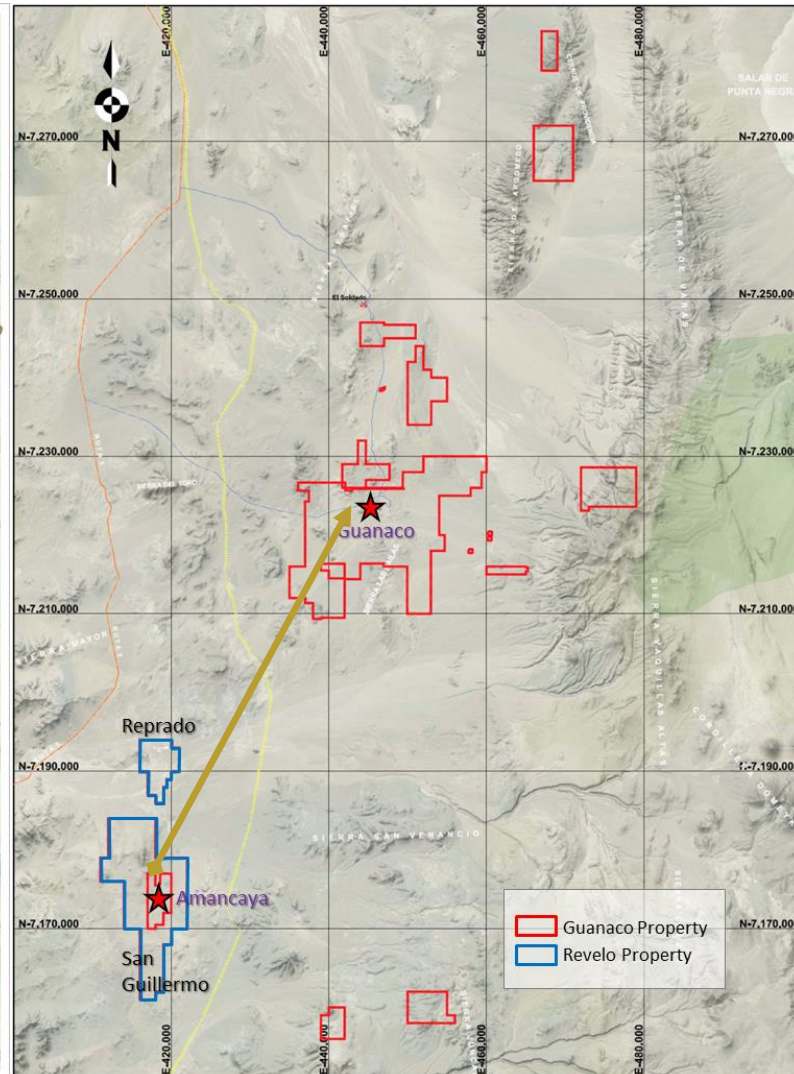
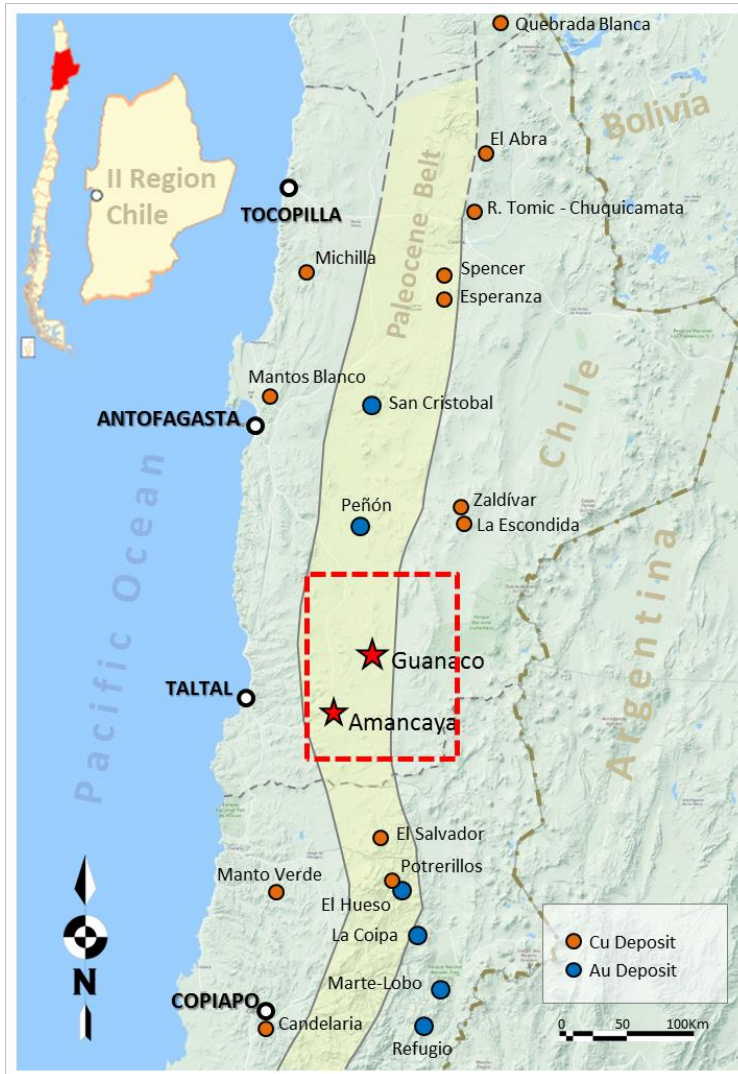
\*\*\*\*Cash Cost and All-in Sustaining Cost are a non-GAAP measure and readers should refer to Austral's Annual Report



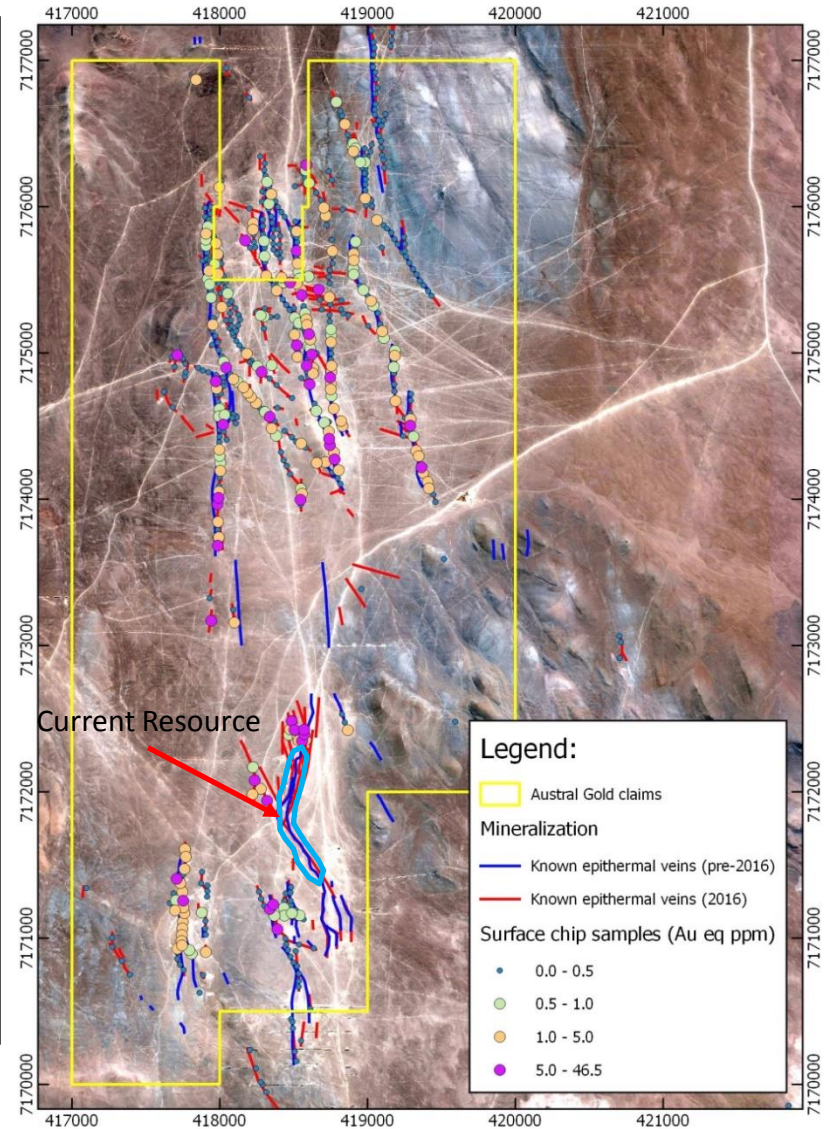
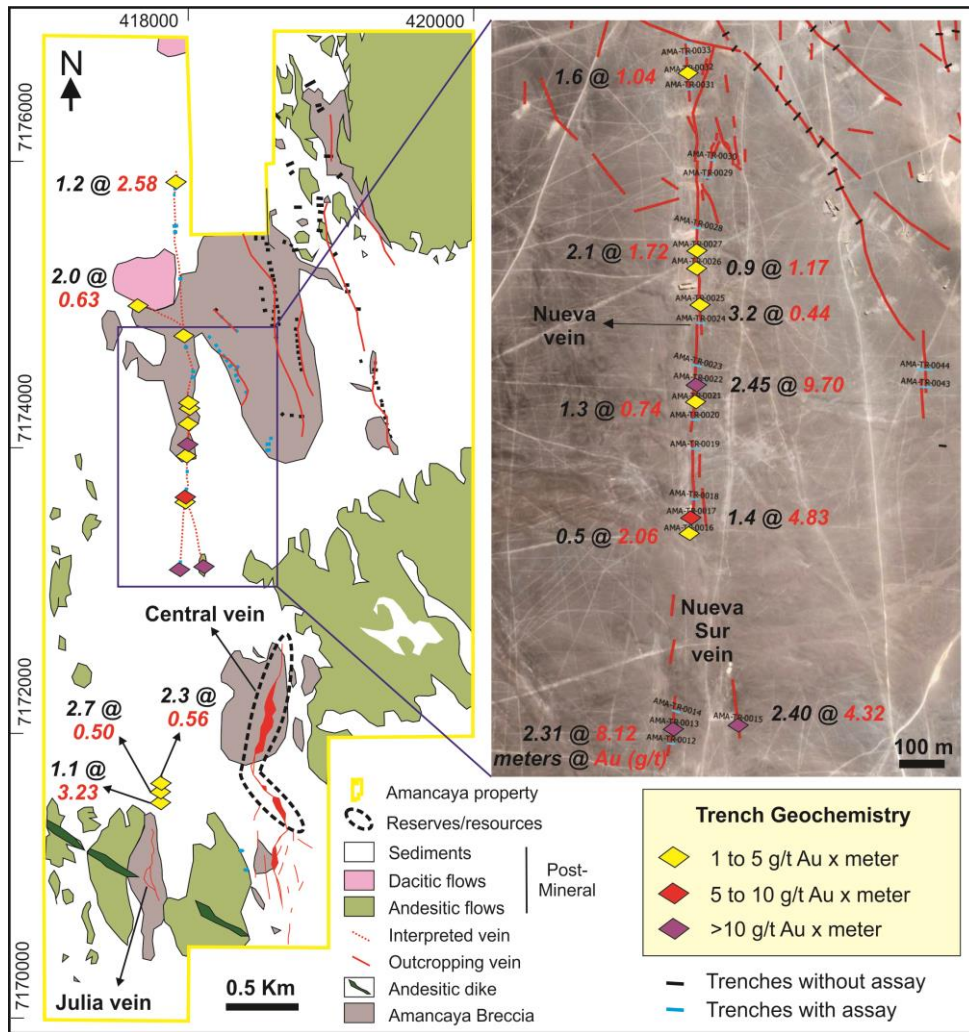
# New Plant Construction



# Consolidating Guanaco District



# Amancaya Emerging Vein Field



The information contained in this slide was originally released to the ASX on 21 August 2017. The information has not materially changed since the original announcement.

# Amancaya Open Pit



# Recommissioning of Casposo



# Casposo Commercial Production



# Strategic Acquisition of Pingüino



# Shared Value Approach





# FY17: Financial Results

| FY End June 30 (US\$'000)             | FY17     | FY16     |
|---------------------------------------|----------|----------|
| Revenues                              | 104,008  | 55,865   |
| Gross Margin (excl. D&A)              | 40.9%    | 34.5%    |
| EBITDA                                | 24,490   | 42,818   |
| Adjusted EBITDA *                     | 26,752   | 10,595   |
| Adjusted EBITDA Margin                | 25.7%    | 19.0%    |
| Net Results                           | (4,380)  | 25,130   |
| Operating Cash Flow                   | 27,687   | 15,165   |
| Net cash used in investing activities | (41,323) | (12,228) |
| Cash & Cash Equivalents               | 6,094    | 11,878   |
| Borrowings                            | 22,529   | 3,950    |
| Net Assets                            | 103,379  | 107,974  |

Source: AGD 2017 Annual Report

\* Excluding gain/(loss) on movements in financial assets and gain on acquisition of subsidiary

# Share Information

| Capital Markets                        | AU\$   | CND\$  |
|--|--------|--------|
| Exchanges:                             | ASX    | TSX-V  |
| Symbol                                 | AGD    | AGLD   |
| <b>Share Price: as at Nov 24, 2017</b> | 0.14   | 0.135  |
| <b>Shares Outstanding</b>              | 519mn  | 519mn  |
| <b>Fully Diluted O/S</b>               | 519mn  | 519mn  |
| <b>Market Capital (local currency)</b> | 72.7mn | 70.1mn |

|                                    |        |
|------------------------------------|--------|
| <b>Market Capital (US\$ mn)</b>    | 55.5mn |
| <b>Cash (US\$ mn) Sep 30, 2017</b> | 4.9mn  |
| <b>Debt (US\$ mn) Sep 30, 2017</b> | 21.9mn |
| <b>Enterprise Value (US\$ mn)</b>  | 72.5mn |

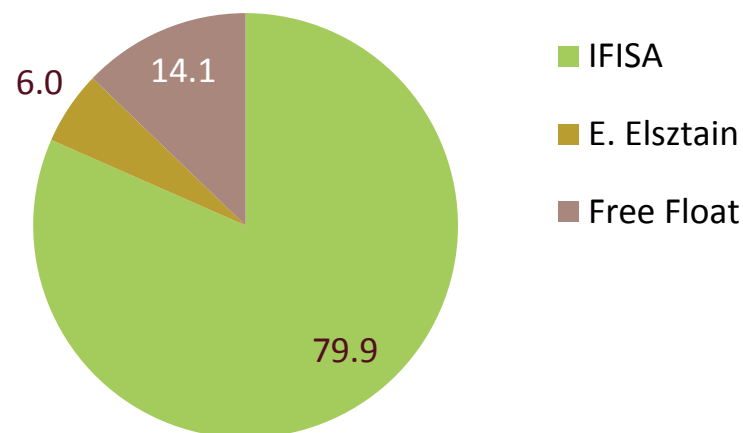
\* Debt is from equipment lease financing and pre-export facilities.

**IFISA** is a private diversified holding company with investments in Agribusiness, Banking, Real Estate, Commercial Property and Mining in Latin America, focussed on Argentina. Most of these interests are represented by large public companies that trade on NYSE: such as **LND, IRS, APSA** and **NASDAQ: CRESY**. IFISA has assets in Latin America, US and Israel.

Eduardo Elsztain is Chairman, as well as Chairman of the listed companies.

## Current Share Ownership

As of June 30 2017



# Looking Ahead

- Ramp up and optimisation of new plant at Guanaco are expected to impact C1 and AISC until the end of the year (*lower throughput and recovery*)
- Processing of high grade Amancaya ore combined with maintaining solid performance from Casposo, are expected to lift production and reduce costs in 2018
- Production guidance for calendar year 2017 (attributable) is estimated at ~80,000AuEq oz affected by the delayed in reaching the design parameters of the new plant (former target of ~95,000 AuEq oz)
- Exploration focus on minex and brownfield activities at all 3 mining deposits
- Continued focus on securing attractive value accretive projects and land holdings; such as San Guillermo and Reprado (Revelo Resources).

# Board of Directors



**Eduardo Elsztain**

**Non-Executive Director and Chairman:**

Mr Elsztain is Chairman of all the companies that IFISA controls. Mr Elsztain is a **member of the World Economic Forum, the Group of 50** and of Argentina's Association of Corporations (AEA).



**Wayne Hubert  
(Independent)**

Mr Hubert was the **Chief Executive Officer of ASX-listed Andean Resources Limited** and held executive roles for Meridian Gold. Currently he is a Director of InZinc Mining Limited [TSX].



**Ben Jarvis  
(independent)**

Mr Jarvis is the Managing Director and co-founder of Six Degrees Investor Relations, **an Australian advisory firm** that provides investor relations services to companies listed on the Australian Securities Exchange.



**Saul Zang**

He is a founding member of the law firm Zang, Bergel & Viñes. Mr Zang is an **adviser and Member of the Board of Directors of Buenos Aires Stock Exchange**



**Pablo Vergara de Carril**

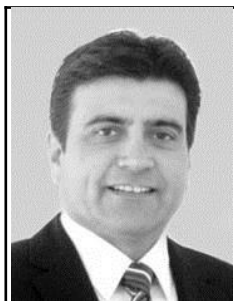
Mr Vergara del Carril is a lawyer and is a professor of **Postgraduate Degrees for Capital Markets, Corporate Law and Business Law** at the Argentine Catholic University.



**Robert Trzebski  
(Independent)**

Dr Trzebski holds a **degree in Geology, PhD in Geophysics, Masters in Project Management** and has over 20 years of professional experience in mineral exploration. He is a Fellow of the AusIMM.

# Senior Management



- Stabro Kasaneva: **CEO, Executive Director**
- BSc
- Prior to his role as CEO he was Chief Operating Officer of the Company since September 2009 and has led the Company from the re-start of the Guanaco mine in late 2010 .
- Prior to his work with Austral Gold, Stabro served as Vice President of Operations at Andean Resources Ltd, General Manager of the El Peñon mine in Chile for Meridian Gold Inc., and worked for Compañía Minera Mantos De Oro, Inversiones Mineras Del Inca.



- Juan Andres Morel: **COO**
- BMinEng, MBA
- Mr Morel was most recently Manager of Operations at Antofagasta PLC's Los Pelambres open pit mine in Chile.
- Prior to that he was Executive Director for Antofagasta International, leading business development and exploration, CEO of an Antofagasta PLC JV (Twin Metals- Minnesota) and General Manager of Antofagasta PLC's El Tesoro mine in Chile.



- José Bordogna: **CFO**
- B.Acc, MCorpFin, M.Intl.Bus
- Prior to joining Austral Gold, José worked for the International Finance Corporation (IFC) and Deloitte & Touche in Latin America. He has over 10 years in experience in finance , investment banking and accounting roles.



- Mike Brown: **VP Corporate Development**
- BSc (Hons), BA and MBA (MAIG).
- Previously President & CEO of Argentex Mining. Has worked for Kinross Gold, Rio Tinto, Phelps Dodge and Homestake and has worked in Chile, Argentina, Indonesia and Australia. 25 years of experience in natural resource sectors



- Dr Diego Guido: **VP Exploration**
- BSc, PhD
- Epithermal expert and has worked as an independent advisor to mining and exploration companies in Argentina since 2002.
- From 2006 to 2016 he was Chief Technical Advisor to Argentex Mining.
- He is Professor of Ore Deposits at La Plata University in BA, a post he has held since 2009.



- Rodrigo Ramirez: **VP Technical Services**
- BMinEng
- Has worked since founding of Austral Gold, leading mining activities and construction projects.
- Prior to joining Austral, had senior operational, planning and execution roles at Antofagasta PLC, and at Meridian Gold's (acquired by Yamana Gold) El Peñon mine

## **Austral Gold represents a compelling story:**

- Experienced Technical team with proven epithermal track record (El Peñon, Guanaco, Pingüino, Amancaya, Casposo) able to leverage underground narrow vein mining experience
- Experienced operators in Chile and Argentina with significant growth potential, and self supporting cash flow
- Exceptional networking in Chile and Argentina and a deep knowledge of the industry in both countries

# Thank You

On behalf of the Board

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