

MEDIA RELEASE

Austral Gold Limited
27 October 2017

AUSTRAL GOLD LIMITED ANNUAL GENERAL MEETING

Austral Gold Limited (“the Company” or “Austral”) (ASX: AGD; TSX-V: AGLD) is pleased to advise that the following documents will be dispatched to shareholders today:

- 2017 Notice of Annual General Meeting
- Shareholder proxy for shares traded on the ASX (if applicable)
- Shareholder proxy for shares traded on the TSX.V (if applicable)
- Annual Report (to those shareholders who have requested it)

**The Notice of Annual General Meeting and the two sample Proxy Forms are attached.*

For more information please contact:

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27 October 2017

Dear Shareholder

Annual General Meeting

On behalf of the Board, I am pleased to invite you to attend the Annual General Meeting of Austral Gold Limited. This meeting will be held at 8.00am (AEDT) on Wednesday 29 November 2017 at:

KPMG
Tower Three
International Towers Sydney
Level 38
300 Barangaroo Avenue
Sydney NSW 2000
Australia

Enclosed are the following documents:

- Notice of Meeting and Explanatory Statement;
- Proxy Form for the Annual General Meeting; and
- Annual Report for the year ended 30 June 2017, for those Shareholders who have requested a printed copy.

Collectively, "the Meeting Materials"

If you are unable to attend the Meeting, I encourage you to appoint a proxy by following the instructions on pages 3 and 4 of the Notice of Meeting. You may also provide questions or comments in advance of the Meeting, by contacting the Company Secretary, using the details set out on page 20 of the Notice.

2017 Annual Report

Shareholders are reminded that the Annual Report is only mailed to those Shareholders who have elected to receive it in hard copy. If you have not elected to receive it in hardcopy, please find a copy of the 2017 Annual Report on the Company's website at <http://www.australgold.com>.

We look forward to seeing you at the Annual General Meeting.

Yours faithfully,



Eduardo Elsztein
Non-Executive Chairman



AUSTRAL GOLD LIMITED

ABN 30 075 860 472

NOTICE OF ANNUAL GENERAL MEETING

TIME: 8.00am (AEDT)

DATE: Wednesday, 29 November 2017

PLACE: KPMG
Tower Three
International Towers Sydney
Level 38
300 Barangaroo Avenue
Sydney NSW 2000
Australia

This Notice of 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 (the "Instrument") *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, Austral Gold Limited 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. The Company confirms that, in accordance with Section 3.2 of NI 71-102, this Notice of 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 holders of securities of that class in the Company's local jurisdiction, being Australia.

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary, using the contact details on page 20.

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YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

To vote in person, please attend the Annual General Meeting on the date, time and at the place set out on page 6 of this Notice.

APPOINTING A PROXY

A Shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy does not need to be a Shareholder of Austral.

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.

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

- (a) By post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne 3001, Victoria, Australia; or
- (b) By 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 27 November 2017**, 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:

- (a) By post to Computershare Investor Services, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada; or
- (b) By phone to Computershare on 1-866-732-VOTE (8683) (Toll free within Canada or US) or +1 312 588 4290; (International direct dial)

The deadline for receipt of proxy forms for those on the Canadian register is **8:00am (PT) on 24 November 2017**.

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 is sent with the proxy form, unless the power of attorney has already 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 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: (i) in the name of an intermediary (“Intermediary”) that the Non-Registered Shareholder deals with in respect of the Shares; or (ii) 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, via mail or electronically, of the Meeting Materials to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders. Intermediaries are required to forward the Meeting Materials to 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:

- (i) 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 the Intermediary must follow. Typically, the voting instruction form will consist of a one-page pre-printed form. The majority of brokers now 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 forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the 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 to be represented at the Meeting. Sometimes, instead of the one-page pre-printed 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. In order 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 to vote his or her Shares at the Meeting;

OR

- (ii) 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 2Y1, Canada.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares 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 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 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 Meeting. Non-Registered Shareholders fall into two categories: those who object to their identity being made known to the issuers of securities which they own (“Objecting Beneficial Owners” or “OBOs”) and those who do not object to their identity being made known to the issuers of the securities they own (“Non-Objecting Beneficial Owners” or “NOBOs”).

The Company is not sending Meeting Materials directly to the NOBOs. The Company will use and pay intermediaries and agents to send the Meeting Materials and also intends to pay for intermediaries to deliver the Meeting Materials to the OBOs.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM**) of Shareholders of Austral Gold Limited will be held at KPMG, Tower Three, International Towers Sydney, Level 38, 300 Barangaroo Avenue, Sydney NSW 2000 Australia at 8.00am (AEDT) on Wednesday, 29 November 2017. Registration will open at 7.30am (AEDT).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the AGM. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary on page 23.

The Directors have determined under Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company that are quoted on the ASX at 7.00pm (AEDT) on 27 November 2017.

The Company shall make a list of all persons who are registered holders of Shares that are listed on the TSX-V as at the close of business at 5pm (Toronto time) on Friday, 13 October 2017 (the "Record Date") and the number of Shares registered in the name of each person on that date. Each Shareholder is entitled to one vote for each Share in that Shareholder's name as it appears on the list.

AGENDA

1. ITEM 1 – ADOPTION OF THE 2017 ANNUAL REPORT

"To receive and to consider the Company's Annual Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2017."

Shareholders are reminded that the 2017 Annual Report has only been mailed to those Shareholders who have elected to receive annual reports in hard copy. The 2017 Annual Report can be viewed on the Company's website at www.australgold.com.

If you have not previously elected to receive a printed copy of the Annual Report and would like one, please phone +61 (2) 9380 7233 or email info@australgold.com.au and a copy will be sent to you free of charge.

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolution below, which will be proposed as a Non-Binding Ordinary Resolution:

2. RESOLUTION 1 – ADOPTION OF THE 2017 REMUNERATION REPORT

"To adopt the Remuneration Report for the year ended 30 June 2017."

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the Resolutions below, which will be proposed as Ordinary Resolutions:

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BENJAMIN JARVIS

"That Mr Benjamin Jarvis be re-elected as a Director of the Company."

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR EDUARDO ELSZTAIN

"That Mr Eduardo Elsztain be re-elected as a Director of the Company."

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR PABLO VERGARA DEL CARRIL

"That Mr Pablo Vergara Del Carril be re-elected as a Director of the Company."

6. **RESOLUTION 5 – RE-ELECTION OF DIRECTOR – MR ROBERT TRZEBSKI**

“That Mr Robert Trzebski be re-elected as a Director of the Company.”

7. **RESOLUTION 6 – RE-ELECTION OF DIRECTOR – MR SAUL ZANG**

“That Mr Saul Zang be re-elected as a Director of the Company.”

8. **RESOLUTION 7 – RE-ELECTION OF DIRECTOR – MR WAYNE HUBERT**

“That Mr Wayne Hubert be re-elected as a Director of the Company.”

9. **RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO MR STABRO KASANEVA**

“That for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the allotment and issue of 5,189,832 Shares to Mr Stabro Kasaneva on the terms that are set out in the Explanatory Statement accompanying the Notice.”

10. **RESOLUTION 9 – APPOINTMENT OF KPMG AS AUDITORS**

“That, in accordance with section 327B(1)(a) of the Corporations Act and for all other purposes, KPMG be appointed as the Auditor of Austral Gold Limited.”

Shareholders will be asked to consider, and if thought fit, to pass the Resolution below, which will be proposed as a Special Resolution:

11. **RESOLUTION 10 – APPROVAL OF 10% CAPACITY TO ISSUE EQUITY SECURITIES**

“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital in the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

DATED: 27 October 2017

By Order of the Board



Andrew Bursill
Company Secretary
Austral Gold Limited

Voting Exclusion Statement

For the definitions of Key Management Personnel (**KMP**) and Closely Related Parties, please refer to the Glossary on page 23.

The Corporations Act restricts members of the KMP of the Company and their Closely Related Parties from voting in relation to remuneration related Resolutions (such as Resolutions 1 and 8).

In addition, separate voting restrictions apply in respect of Resolution 10 under the ASX Listing Rules.

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 Resolutions 1 and 8. If you do not do so, your proxy will not be able to vote on your behalf on Resolutions 1 and 8.

If you intend to appoint the Chairman of the Meeting as your proxy, you are encouraged to direct him how to vote by marking a box for Resolutions 1 and 8 (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 resolutions where he is a related party, the Chairman will not be able to vote on your behalf. 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 1 and 8 (where permissible).

The Company will disregard votes cast on Resolutions 1, 8 and 10 by the persons detailed in the table below.

Resolution	Voting Exclusions
Resolution 1 – Adoption of Remuneration Report	<p>A vote must not be cast in any capacity by:</p> <ul style="list-style-type: none">- A current or former member of the KMP whose remuneration details are included in the remuneration report for the year ended 30 June 2017, and- Any Closely Related Parties of such member of the KMP. <p>In addition, no votes may be cast as a proxy by any other person who has become a member of the KMP by the time of the AGM, or their Closely Related Parties.</p> <p>However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 1 if:</p> <ul style="list-style-type: none">- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the Resolution; or- The vote is cast by the Chairman of the Meeting and the proxy form authorises him to vote as he decides on the Resolution (even though it is connected with the remuneration of members of the KMP, including the Chairman).
Resolution 8 – Approval of Issue of Shares to Stabro Kasaneva	<p>A vote must not be cast by or on behalf of:</p> <ul style="list-style-type: none">- Stabro Kasaneva who is a related party of the public company to whom the resolution would permit a financial benefit to be given and is to receive securities in relation to the entity; and- Any associates of Stabro Kasaneva. <p>However, the Company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 8 if:</p> <ul style="list-style-type: none">- The vote is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; or- The vote is cast by the Chairman of the Meeting, in accordance with a direction on the proxy form, to vote as the proxy decides, although if the Chairman is a related party, the Chairman can only vote directed proxies.

Resolution 10 – Approval of 10% Capacity to Issue Equity Securities	<p>A vote must not be cast by:</p> <ul style="list-style-type: none">- Persons who may participate in the proposed issue of the securities, and any persons who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; and- Any associates of those persons. <p>However, the company need not disregard a vote cast as proxy for a person who is entitled to vote on Resolution 10 if:</p> <ul style="list-style-type: none">- The vote is cast in accordance with the directions on the proxy form, specifying how the proxy is to vote on the resolution; or- The vote is cast by the chairman of the meeting, in accordance with a direction on the proxy form, to vote as the proxy decides.
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EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held on Wednesday, 29 November 2017 at 8.00am (AEDT).

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ITEM 1 - ADOPTION OF 2017 ANNUAL REPORT

The business of the Meeting will include receipt and consideration of the Company's Annual Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2017, which are included in Austral's Annual Report.

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Annual Report, and on the management of Austral.

The Company's Auditor will be present at the Meeting. During the discussion of this item, the Auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the Auditor in relation to the conduct of the audit.

Written questions for the Auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the Audit of the Annual Financial Report to the Company's Auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, that is, by Tuesday 21 November 2017.

2. RESOLUTION 1 – ADOPTION OF THE 2017 REMUNERATION REPORT

The Remuneration Report is set out in the 2017 Annual Report. The Remuneration Report details the Company's remuneration arrangements for the Directors and senior management of the Company.

S250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 1 is advisory only and not binding on the Company or its Directors.

However, under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report then:

- If comments are made on the Remuneration Report at the Meeting, Austral's 2017 Remuneration Report will be required to include an explanation of the Board's proposed action response or, if no action is proposed, the Board's reasons for this; and
- If, at next year's AGM, at least 25% of the votes cast on the resolution for adoption of the 2017 Remuneration Report are against it, Austral will be required to put to Shareholders a resolution proposing that an Extraordinary General Meeting (EGM) be called to consider

the election of Directors (Spill Resolution). If the Spill Resolution is passed (i.e. more than 50% of the votes cast are in favour of it), all of the Directors (other than the Managing Director) will cease to hold office at the subsequent EGM, unless re-elected at that Meeting.

Last year, a resolution was passed to adopt the 2016 Remuneration Report, with in excess of 75% of votes cast in favour of the resolution on a show of hands (noting that in excess of 75% of proxies lodged were also in favour of the resolution).

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Remuneration Report.

Board Recommendation: *The Remuneration Report forms part of the Directors' Report, which was approved in accordance with a unanimous resolution of the Board. Each Non-Executive Director recommends that Shareholders vote in favour of adopting the Remuneration Report.*

3. RE-ELECTION OF DIRECTORS

Clause 13.2 of the Constitution requires that all the Directors must retire at each Annual General Meeting. In accordance with this clause the Managing Director of the Company is exempt from retiring.

Directors who retire under clause 13.2 are eligible for re-election.

Clause 17.4 of the Constitution notes that a Managing Director shall not retire by rotation in accordance with clause 13.2. As Stabro Kasaneva is the Company's Managing Director, he is not required to retire as a Director and therefore does not require re-election at this meeting.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BENJAMIN JARVIS

Mr Benjamin Jarvis was appointed to the Board on 2 June 2011. He is an Independent, Non-Executive Director.

Mr Jarvis retires as a Director and now seeks re-election in accordance with clause 13.2 of the Constitution. He was last re-elected by shareholders on 16 December 2014.

Mr Jarvis is the Managing Director of Six Degrees Investor Relations, an Australian advisory firm that provides investor relations services to a broad range of companies listed on the Australian Securities Exchange. Mr Jarvis was educated at the University of Adelaide where he majored in Politics.

Mr Jarvis has not held any other Directorships with Australian or Canadian listed companies in the last three years

Board Recommendation: *The Directors (with Mr Jarvis abstaining) unanimously recommend the re-election of Mr Jarvis.*

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR EDUARDO ELSZTAIN

Mr Eduardo Elsztain was appointed to the Board on 29 June 2007. He is a Non-Executive Director and Chairman.

Mr Elsztain retires as a Director and now seeks re-election in accordance with clause 13.2 of the Constitution. He was last re-elected by shareholders on 26 November 2015.

Mr Eduardo Elsztain is Chairman of IRSA Inversiones y Representaciones SA (NYSE:IRS; BASE:IRSA), one of Argentina's largest and most diversified real estate companies; and IRSA Commercial Properties (NASDAQ:IRCP; BASE: IRCP), with 16 shopping centres in Argentina,

premium office buildings, five-star hotels and residential developments. These investments also extend into the US real estate market.

He also serves as Chairman of Cresud (NASDAQ:CRESY; BASE: CRES) and BrasilAgro (NYSE: LND; BVMF: AGRO3), leading Latin American agricultural companies that own directly and indirectly almost one million hectares of farmland.

Mr Elsztain is also Chairman of Banco Hipotecario SA (BASE: BHIP) and of BACS, a leading Argentinean bank specialised in providing innovative financial solutions to local companies.

He is Chairman of IDB Development, a leading conglomerate in Israel which directly and indirectly owns Discount Investment Corporation Ltd. (TASE: DISI); Property & Building Corp. (TASE: PTBL); Elron Electronic Industries (TASE: ELRN); Clal Insurance Enterprises Holdings (TASE: CLIS); Shufersal (TASE: SAE); and Cellcom (NYSE: CEL; TASE: CEL), among others.

Mr Elsztain is also a member of the World Economic Forum, the Council of the Americas, the Group of 50 and Argentina's Business Association (AEA).

He is President of Fundacion IRSA, which promotes education among children and young people, including "Puerta 18", a program that provides free computing and technology education for young people from low-income backgrounds in order to develop their scientific, artistic and professional talents. Mr Elsztain has not held any other Directorships with Australian or Canadian listed companies in the last three years.

Board Recommendation: *The Directors (with Mr Elsztain abstaining) unanimously recommend the re-election of Mr Elsztain.*

RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR PABLO VERGARA DEL CARRIL

Mr Pablo Vergara del Carril was appointed to the Board on 18 May 2006. He is a Non-Executive Director and a member of the Audit Committee.

Mr Vergara del Carril retires as a Director and now seeks re-election in accordance with clause 13.2 of the Constitution. He was last re-elected by shareholders on 30 November 2016.

He is a member of the International Bar Association, the American Bar Association and the AMCHAM, among other legal and business organizations. He is a founding Board member of the recently incorporated Australian-Argentinean Chamber of Commerce. He is a Board member of the Argentine Chamber of Corporations and also an Officer of its Legal Committee. He is recognised as a leading lawyer in Corporate, Real Estate, M&A, Banking & Finance and Real Estate Law by international publications such as Chamber & Partners, Legal 500, International Financial Law Review, Latin Lawyer and Best Lawyer.

He is a Director of Banco Hipotecario SA (BASE: BHIP), Nuevas Fronteras (owner of the Intercontinental Hotel in Buenos Aires), IRSA Commercial Properties (NASDAQ: IRCP, BASE: APSA) and Emprendimiento Recoleta SA (owner of the Buenos Aires Design Shopping Centre), among other companies. Mr Vergara del Carril is also a Director of Guanaco Mining Company Limited and Guanaco Capital Holding Corp.

Mr Vergara del Carril has not held any other Directorships with Australian or Canadian listed companies in the last three years.

Board Recommendation: *The Directors (with Mr Vergara del Carril abstaining) unanimously recommend the re-election of Mr Vergara del Carril.*

RESOLUTION 5 – RE-ELECTION OF DIRECTOR – MR ROBERT TRZEBSKI

Mr Robert Trzebski was appointed to the Board on 22 May 2007. He is an Independent, Non-Executive Director and Chairman of the Audit Committee.

Mr Trzebski retires as a Director and now seeks re-election in accordance with clause 13.2 of the Constitution. He was last re-elected by shareholders on 30 November 2016.

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, project management and mining services. He is currently Chief Operating Officer of Austmine Ltd and a fellow of the Australian Institute of Mining and Metallurgy.

Dr Trzebski has not held any other Directorships with Australian or Canadian listed companies in the last three years.

Board Recommendation: *The Directors (with Mr Trzebski abstaining) unanimously recommend the re-election of Mr Trzebski.*

RESOLUTION 6 – RE-ELECTION OF DIRECTOR – MR SAUL ZANG

Mr Saul Zang was appointed to the Board on 29 June 2007. He is a Non-Executive Director.

Mr Zang retires as a Director and now seeks re-election in accordance with clause 13.2 of the Constitution. He was last re-elected by shareholders on 16 December 2014.

Mr. Zang obtained a law degree from Universidad de Buenos Aires. 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 and provides legal advice to national and international companies. Mr Zang currently holds:

- (i) Vice-Chairmanships on the Boards of IRSA (NYSE: IRS, BASE: IRSA), IRSA Commercial Properties (NASDAQ: IRCP, BASE: IRCP), Cresud (NASDAQ: CRESY, BASE: CRES) and
- (ii) Directorships with Banco Hipotecario (BASE: BHIP), BrasilAgro (NYSE: LND, BVMF:AGRO3), IDB Development – a leading conglomerate in the State of Israel which directly and indirectly owns Clal Insurance Enterprises Holdings (TASE: CLIS), Shufersal (TASE: SAE), Cellcom (NYSE & TASE: CEL), Properties & Building Corp. (TASE: PTBL), ADAMA Agricultural Solutions, Elron Electronic Industries (TASE: ELRN) among others.

Mr Zang has not held any other Directorships with Australian or Canadian listed companies in the last three years.

Board Recommendation: *The Directors (with Mr Zang abstaining) unanimously recommend the re-election of Mr Zang.*

RESOLUTION 7 – RE-ELECTION OF DIRECTOR – MR WAYNE HUBERT

Mr Wayne Hubert was appointed to the Board on 18 October 2011. He is an Independent, Non-Executive Director and Member of the Audit Committee.

Mr Hubert retires as a Director and now seeks re-election in accordance with clause 13.2 of the Constitution. He was last re-elected by shareholders on 16 December 2014.

Mr Hubert is a mining executive with over 15 years' experience working in the South American resources sector. From 2006 until 2010 he was the Chief Executive Officer of ASX-listed Andean Resources Limited ('Andean'), and led the team that increased Andean's value from \$70 million to \$3.5 billion in four years. Andean was developing a world-class silver and gold mine in Argentina with a resource of over 5 million ounces of gold when it was acquired by Goldcorp Inc. of Canada.

Mr Hubert holds a degree in Engineering and a Master of Business Administration and has held executive roles for Meridian Gold with experience in operations, finance and investor relations.

In addition to his role at Austral Gold limited, Mr Hubert is a Director of InZinc Mining Limited (TSX-V: IZN)

Board Recommendation: *The Directors (with Mr Hubert abstaining) unanimously recommend the re-election of Mr Hubert.*

4. RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO STABRO KASANEVA

Background

Listing Rule 10.11

As set out in the background information above, because Mr Kasaneva is a Director and Chief Executive Officer of the Company, Shareholder Approval under Listing Rule 10.11 is required in relation to the proposed issue of the Shares to Mr Kasaneva that are the subject of the Resolution 8.

It is noted that under Chapter 2E of the Corporations Act, for a public company (such as the Company), to give a financial benefit to a related party (such as Mr Kasaneva), the public company must obtain the prior approval of its shareholders in accordance with sections 217 to 227 of the Corporations Act and give the benefit within 15 months following the date of such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Board is proposing to issue Stabro Kasaneva 5,189,832 ordinary shares of Austral as part of a performance bonus following his outstanding role in leading the Guanaco Mine project and business development activities as the Chief Executive Officer. During 2017, the company achieved record production levels providing operating cashflows and allowing Austral to increase growth potential through on-going exploration and strategic acquisitions.

Pursuant to and in accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to the proposed issue of ordinary shares to Mr Kasaneva:

- a) the ordinary shares are to be issued to Mr Kasaneva or his Associate;
- b) the maximum number of the ordinary shares to be issued to Mr Kasaneva or his Associate is 5,189,832 ordinary shares;
- c) the ordinary shares will be issued within 30 days after the date of the General Meeting and it is anticipated that the ordinary shares will be issued on one date;
- d) the ordinary shares will be issued for nil cash consideration;
- e) the ordinary shares issued will rank equally with the Company's currently issued Shares; and
- f) no funds will be raised from the issue of the ordinary shares.
- g) the Company will disregard any votes cast on Resolution 8 by the persons listed in part (a) above, being the persons that have been identified as participants in the issue of the ordinary shares, and any associate of those persons. However, the Company will not disregard a vote on Resolution 8 if it is cast by:
 - a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
 - the person chairing the Meeting, as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form, to vote as the proxy decides. Although if the Chairman is a related party, the Chairman can only vote directed proxies.

If approval for Resolution 8 is received under Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1 to exempt the Shares from counting towards the 15% of the issued capital of the Company that can be issued in any 12-month period without Shareholder Approval.

Board Recommendation: *As Resolution 8 relates to Directors' remuneration, the Directors have refrained from making a recommendation in relation to this resolution.*

Additional Information in relation to Chapter 2E of the Corporations Act is contained in Section 8 below.

5. **RESOLUTION 9 – APPOINTMENT OF KPMG AS AUDITORS**

In December 2016, the Company's Auditors, BDO East Coast Partnership, resigned in accordance with section 329(5) of the Corporations Act. In accordance with section 327C of the Corporations Act, KPMG were appointed by the Directors in January 2017 as the Company's Auditors to fill the vacancy.

Section 327C(1) of the Corporations Act provides that if:

- (a) a vacancy occurs in the office of auditor of a public company; and
- (b) the vacancy is not caused by the removal of an auditor from office; and
- (c) there is no surviving or continuing auditor of the company,

the directors of the company must, within 1 month after the vacancy occurs, appoint an auditor to fill the vacancy unless the company at a general meeting has appointed an auditor to fill the vacancy.

Section 327C(2) of the Corporations Act further provides that any such auditor appointed to fill the vacancy holds office until the company's next Annual General Meeting. This is consistent with section 327B(1) of the Corporations Act, which provides that a public company must appoint an auditor of the company at its first Annual General Meeting and thereafter at each subsequent Annual General Meeting where an auditor is appointed by the company to fill any vacancy in the office of auditor.

Pursuant to section 327C(1) of the Corporations Act, the Directors of the Company appointed KPMG to fill the vacancy in the office of Auditor.

The Company has received:

- a) a nomination under section 328B of the Corporations Act from a shareholder for KPMG to be appointed as the Company's Auditor, a copy of which is annexed as Annexure A to this Explanatory Statement; and
- b) a consent to act as Auditor of the Company under section 328A of the Corporations Act, duly executed by KPMG and Mr Daniel Camilleri, a registered Company Auditor.

The Company, pursuant to this Resolution 9, requests Shareholder Approval pursuant to section 327B(1) of the Corporations Act 2001 (Cth) to appoint KPMG as the Company's Auditor.

Board Recommendation: *The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.*

6. **RESOLUTION 10 - APPROVAL OF 10% CAPACITY TO ISSUE EQUITY SECURITIES**

(a) **ASX Listing Rule 7.1**

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without Shareholder Approval. Generally, a listed company cannot, in any 12-month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without Shareholder Approval (15% Limit), unless an exception applies. The Company has not exceeded this 15% Limit.

(b) **ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of their issued capital through placements over a 12-month period after an annual general meeting. This 10% placement capacity (10% Limit) is in addition to the Company's 15% Limit under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

(c) Shareholder Approval

Shareholder Approval is now sought in accordance with ASX Listing Rule 7.1A to give the Company the ability to issue equity securities under the 10% Limit. Resolution 10 must be passed as a Special Resolution, meaning that at least 75 per cent of the votes cast at the AGM must be in favour of Resolution 10.

(d) Current Securities on Issue

As at the date of this Notice, the Company has the following classes and numbers of equity securities on issue:

Security Class	Number on Issue
Ordinary Shares	518,983,178

(e) Duration of Approval of 10% Limit

Shareholder Approval of the 10% Limit under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) The date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) The date of the approval by shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking), (the Period of Approval).

(f) Formula for Calculation of 10% Limit

The exact number of equity securities to be issued under the 10% Limit will be determined in accordance with the following formula, which is prescribed in ASX Listing Rule 7.1A.2:

Eligible entities which have obtained Shareholder Approval at an Annual General Meeting may issue or agree to issue, during the Period of Approval, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

A Is the number of ordinary shares on issue 12 months before the date of issue or agreement:

- Plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- Plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- Plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under ASX Listing Rule 7.1 or ASX Listing Rule 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% Limit without Shareholder Approval;
- Less the number of fully paid ordinary shares cancelled in the 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% Limit.

D Is 10%

E Is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or ASX Listing Rule 7.4.

ASX Listing Rule 7.3A requires the following information to be provided to Shareholders:

(g) Minimum Price

The issue price of equity securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of the Company's equity securities in the same class, calculated over the 15 Trading Days immediately before:

- (i) The date on which the price at which the equity securities are to be issued is agreed; or
- (ii) If the equity securities are not issued within five trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

(h) Risk of Voting Dilution

If Resolution 10 is approved by Shareholders and the Company issues equity securities under the 10% Limit, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) The market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
- (ii) The equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date or the equity securities are issued as part of the consideration for the acquisition of a new asset;

which may have an effect on the amount of funds raised by the issue of the equity securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of ordinary shares and the current number of ordinary shares for variable 'A', calculated in accordance with the formula in ASX Listing Rule 7.1A(2), as at the date of this Notice.

The table also shows:

- (i) Two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary shares the Company currently has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder Approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) Two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the current market price.

		Dilution		
		\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.34 100% increase in Issue Price
Variable 'A' in ASX Listing Rule 7.1A.2	10% Voting Dilution	51,898,318	51,898,318	51,898,318
	Funds Raised \$	\$4,411,357	\$8,822,714	\$17,645,428
50% increase in current variable 'A'	10% Voting Dilution	77,847,477	77,847,477	77,847,477
	Funds Raised \$	\$6,617,036	\$13,234,071	\$26,468,142
100% increase in current variable 'A'	10% Voting Dilution	103,796,636	103,796,636	103,796,636
	Funds Raised \$	\$8,822,714	\$17,645,428	\$35,290,856

The above table has been prepared on the following assumptions:

- (i) The issue price is \$0.17 being the closing market price of the ordinary shares on the ASX on 31 August 2017.
- (ii) The Company issues the maximum number of equity securities available under the 10% Limit.
- (iii) No Options are exercised into ordinary shares before the date of the issue of equity securities.
- (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Limit, based on that Shareholder's holding at the date of the Meeting;
- (vi) The table shows only the effect of issue of equity securities under ASX Listing Rule 7.1A, not under the 15% Limit under ASX Listing Rule 7.1; and
- (vii) The issue of equity securities under the 10% Limit consists only of ordinary shares.

(i) Period of Approval

The Company will only issue and allot the equity securities during the Period of Approval. The approval under Resolution 10 for the issue of the equity securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

(j) Purpose of Issue under 10% Limit

The Company may seek to issue the equity securities for the following purposes:

- (i) Non-cash consideration for the acquisition of assets such as mineral exploration tenements, or a business or company holding mineral exploration tenements. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) Cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities.

(k) Allocation Policy

The Company's Allocation Policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Limit. The identity of the allottees of equity securities will be determined on a case by case basis, having regard to the factors including but not limited to the following:

- (i) The purpose of the issue;
- (ii) The alternative methods for raising funds that are available to the company at the time, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (iii) The effect of the issue of the equity securities on the control of the company;
- (iv) The circumstances of the company, including the financial position and solvency of the company; and
- (v) Advice from corporate, financial and broking advisers (if available).

The allottees under the 10% Limit have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

(l) Voting Exclusion Statement

A voting exclusion applies to this item of business, as set out in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder to participate in the issue of the equity securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

(m) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained Shareholder Approval under ASX Listing Rule 7.1A at the Company's Annual General Meeting on 30 November 2016.

During the 12 months preceding the date of this Meeting, being from and including 30 November 2016 to and including 27 October 2017, being the date of this Notice of Meeting, (preceding 12-month period):

- (i) The Company has issued in aggregate 0 ordinary shares.

Board Recommendation: *The Directors unanimously recommend that Shareholders vote in favour of approving the 10% Limit. This will enable the Company to have the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1 and an additional 10% of the Company's share capital under ASX Listing Rule 7.1A during a 12-month period without seeking further Shareholder Approval.*

7. **ENQUIRIES**

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

Andrew Bursill
Company Secretary
Austral Gold Limited

c/- Franks & Associates Pty Limited
GPO Box 4325
Sydney, NSW 2001
Australia

Tel: (+61 2) 9299 9690

Email: abursill@fa.com.au

8. RESOLUTION 8 – ADDITIONAL INFORMATION

Chapter 2E of the Corporations Act disclosures

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of various exceptions to the general prohibition. Exceptions to this general prohibition include where the company first obtains the approval of its shareholder in general meeting, or the financial benefit being provided is on arm's length terms or better.

A "financial benefit" for the purposes of the Corporations Act includes issuing securities to a related party.

The proposed Resolution 8, if passed, will confer financial benefits to a Director. Therefore, the Company seeks to obtain member approval in accordance with the requirements of Chapter 2E of the Corporations Act and for this reason, and for all other purposes, the following information is provided to Shareholders:

- (a) The related party to whom Resolution 8 would permit the financial benefit to be given is Mr Stabro Kasaneva, who is a Director of the Company;
- (b) The nature of the proposed financial benefit to be given is outlined below:

	Number of Shares
Stabro Kasaneva	5,189,832

- (c) The Shares, the subject of Resolution 8 will be issued for no cash consideration;
- (d) As Resolution 8 relates to the remuneration of a Director, the Directors have refrained from making a recommendation in relation to this resolution; and
- (e) The Director has the following interests and other remuneration:

S Kasaneva Director (including associated entities)	2016 Financial Year Remuneration	2017 Financial Year Remuneration	Proposed 2018 Financial Year Remuneration
Cash	310,371	353,329	379,764*
Bonus	163,398	490,377	705,817**
Total*	473,769	843,706	1,085,581

Note: All figures in the table are in USD

* 237,352,392 CLP at USD:CLP exchange rate 1:625

** Includes the value of the 5,189,832 Shares at AU\$0.17 per share (converted using USD:AUD exchange rate 1:1.25) proposed to be granted under Resolution 8.

If the Shares, the subject of Resolution 8 are approved, the following will be the effect of the Director's holdings in the Company:

Directors (including associated entities)	Current Share Holding	% of Total Share Capital	Share Capital after approval*	% of Total Share Capital after approval
S Kasaneva	1,691,398	0.33%	6,881,230	1.31%
All Other Holders	517,291,780	99.7%	517,291,780	98.69%
Total	518,983,178	100.00%	524,173,010	100.00%

* This figure includes the Shares proposed to be granted to the director under Resolution 8.

(f) **Valuation**

The market value of the Shares proposed to be issued under Resolution 8 is \$882,271.44, based on a share price of \$0.17 as at 31 August 2017.

(g) **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.**

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

(i) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the ordinary shares to the Director or his nominees, is the potentially dilutionary impact on the issued Share capital of the Company. To the extent that the dilutionary impact caused by the issue of the ordinary shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of the experienced and skilled Chief Executive Officer on appropriate incentive terms.

(ii) Trading History of the ordinary shares

As at 31 August 2017, the closing price of a Share on ASX was \$0.170. Over the last 12 months, the 52-week high was \$0.217 per share and the 52-week low was \$0.123 per share.

(iii) Taxation Consequences

No stamp duty will be payable in respect of the grant of the Shares. No GST will be payable by the Company in respect of the issue of ordinary shares (or if it is then it will be recoverable as an input credit).

AASB 2 "Share Based Payments" requires that these payments shall be measured at the fair value of the equity instrument. Under the accounting standards this amount will be expensed in the statement of financial performance.

(iv) Dilutionary Effect

The dilutionary effect on the Company and its shareholders is summarised in the table above on page 22.

9. GLOSSARY

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

Austral Group means Austral and its controlled entities.

Annual General Meeting, AGM or Meeting means the meeting convened by the Notice.

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.

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

Business Day has the meaning given to that term in ASX Listing Rule 19.12.

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 Austral (or the Austral Group), and any company the member controls.

Company or Austral or Austral Gold means Austral Gold Limited (ACN 075 860 472).

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the Directors 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.

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

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.

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

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

Share Registry means Computershare Investor Services Pty Limited.

Special Resolution means a resolution passed by at least 75 per cent of the votes at a general meeting of Shareholders.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

TSX-V means TSX Venture Exchange.

VWAP means the volume weighted average price of trading in Shares on the ASX market and the Chi-X 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) A reference to a word includes the singular and the plural of the word and vice versa;
- (b) A reference to a gender includes any gender;
- (c) If a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) 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;
- (e) Headings are included for convenience only and do not affect interpretation;
- (f) A reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) A reference to a thing includes a part of that thing and includes but is not limited to a right;
- (h) 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;
- (i) 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;
- (j) 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
- (k) 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 1

NOMINATION OF AUDITOR

To: Company Secretary
Austral Gold Limited
Suite 2, Level 10
70 Phillip Street
Sydney NSW 2000
Australia

5 September 2017

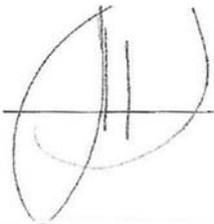
Dear Sir/ Madam

Subject: Nomination of Auditor

In accordance with the provisions of section 328B of the Corporations Act 2001 (Cth),

I, Pablo Vergara del Carril, being a member of Austral Gold Limited, hereby nominate KPMG for appointment as Auditor of that Company.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Pablo Vergara del Carril', written over a horizontal line.

Pablo Vergara del Carril

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

AGD
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 08:00 am (AEDT) on Monday, 27 November 2017**

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.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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 ND

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 Annual General Meeting of Austral Gold Limited to be held at the offices of KPMG Tower Three, International Towers Sydney, located at Level 38, 300 Barangaroo Avenue, Sydney, NSW 2000 on Wednesday, 29 November 2017 at 8.00 am (AEDT) and at any adjournment or postponement of that Meeting.

Important for Resolution 1: 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, Resolution 1 even though Resolution 1 is 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 Resolution 1, 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.)

Important for Resolution 8: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, the Chairman will not be able to vote on your behalf. Please ensure that you direct the Chairman how to vote on Resolution 8.

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 Resolution 1 & 8 by marking the appropriate box in step 2 below.

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			For	Against	Abstain
Resolution 1	Adoption of the 2017 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6	Re-Election of Director – Mr Saul Zang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Mr Benjamin Jarvis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7	Re-Election of Director – Mr Wayne Hubert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Mr Eduardo Elsztein	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Approval of Issue of Shares to Mr Stabro Kasaneva	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-Election of Director – Mr Pablo Vergara Del Carril	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Appointment of KPMG as Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-Election of Director – Mr Robert Trzebski	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Approval Of 10% Capacity to Issue Equity Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

Security Class

Holder Account Number

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Form of Proxy - Annual General Meeting to be held on Wednesday, November 29, 2017

This Form of Proxy is solicited by and on behalf of Austral Gold Limited.

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 Austral Gold Limited 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 the Chairman.**
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 Austral Gold Limited.

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Proxies submitted must be received by 8:00 AM (Pacific Time) on Friday, November 24, 2017.

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



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 Annual General Meeting of Austral Gold Limited to be held at the offices of KPMG located at, Tower Three, International Towers Sydney, Level 38, 300 Barangaroo Avenue, Sydney, NSW 2000 on Wednesday, November 29, 2017 at 8.00 AM (Sydney Time) and at any adjournment or postponement of that Meeting.

Important for Resolution 1: 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, Resolution 1 even though Resolution 1 is 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 Resolution 1, 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.) Important for Resolution 8: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, the Chairman will not be able to vote on your behalf. Please ensure that you direct the Chairman how to vote on Resolution 8.

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 Resolution 1 & 8 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 the 2017 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director – Mr Benjamin Jarvis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Director – Mr Eduardo Elsztain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-election of Director – Mr Pablo Vergara Del Carril	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Re-election of Director – Mr Robert Trzebski	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Re-election of Director – Mr Saul Zang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Re-Election of Director – Mr Wayne Hubert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Approval of Issue of Shares to Mr Stabro Kasaneva	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Appointment of KPMG as Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Approval Of 10% Capacity to Issue Equity Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

On a poll, the Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

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 the Chairman.

Signature(s)

Date

MM / DD / YY



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