

MEDIA RELEASE

Austral Gold Limited

15 January 2018

Austral Gold Pays Performance Bonus to CEO in the Form of Ordinary Shares

Austral Gold Limited (the “**Company**”) (ASX: AGD; TSX-V: AGLD) is pleased to announce that it has issued 5,189,832 ordinary shares to Stabro Kasaneva, the Chief Executive Officer and a director of the Company, as a performance bonus on 12 December 2017. The issuance of these bonus shares, which constitute less than one percent (1%) of the issued and outstanding shares of the Company, was approved by a majority of the disinterested shareholders of the Company at its annual general meeting held on November 29, 2017.

Because TSX Venture Exchange policies require that all listed shares issued to directors, officers and other insiders be subject to a four month resale restriction, all of these bonus shares will be held in escrow with the Company’s transfer agent until 13 April, 2018.

About Austral Gold

Austral Gold Limited is a growing precious metals mining, development and exploration company building a portfolio of quality assets in Chile and Argentina. The Company's flagship Guanaco project in Chile is a low-cost gold and silver producing mine with further exploration upside. The Company is also operator of the underground silver-gold Casposo mine in San Juan, Argentina. With an experienced local technical team and highly regarded major shareholder, Austral's goal is to continue to strengthen its asset base through acquisition and discovery. Austral Gold Limited is listed on the TSX Venture Exchange (TSX-V:AGLD), and the Australian Securities Exchange (ASX: AGD). For more information, please consult the company's website www.australgold.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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