Austral Gold Ltd. Provides Exploration Update on Properties in Chile

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Sydney, Jan. 27, 2022 - Austral Gold Ltd. (ASX: AGD) (TSXV: AGLD) (the "Company" or "Austral") is pleased to provide an update on its on-going exploration activities in the Paleocene Belt in Chile.

Highlights:

- At Sierra Inesperada, we intercepted silver mineralization and minor gold intercepts from our phase III reverse circulation (RC) drilling campaign. The most significant results obtained were:

RDIN-001:	6.0 meters @ 1.05 g/t gold and 2.7 g/t silver
	1.0 meter @ 1.99 g/t gold and 31.7 g/t silver
	41.0 meters @ 18.6 g/t silver (including 8.0 meters @ 24.8 g/t silver)
RIN-001A:	30.0 meters @ 21.6 g/t silver
	60.0 meters @ 14.1 g/t silver (including 6.0 meters @ 32.5 g/t silver)

Paleocene HS Districts Exploration

At Sierra Inesperada, RC drilling phase III campaign was completed with five drillholes. We continued to intercept a zone with silver anomalies that suggests continuity at depth. No gold intercepts of economic level were obtained, with the best results at 6m @ 1.05gpt Au. All drill holes crossed the phreatomagmatic complexes without reaching the feeder ducts.

At Cerro Buenos Aires, five holes were drilled to test the phreatomagmatic breccia boundaries related to CSAMT anomalies in three targets defined in the delineation stage. Despite having intercepted a large column of alteration, the results were not significant, and we dismissed the potential for a High Sulfidation type system in these properties located in the southern sector of Cerro Buenos Aires.

At Morros Blancos, the drilling program recently commenced, with the first drillhole targeting the central conduit of Maar Central phreatomagmatic complex as announced on 11 January, 2022.

Table 1: Sierra Inesperada Drill results

Hole	North / East	Dip	Azimuth	EoH	Section / Intercept		Width (m)	Depth (m)	Au gpt	Ag gpt
INESPERADA RESULTS										
Significant intercepts reported at 0.2 gpt Au cutoff; include at 1.0 gpt Au cutoff, sub-include at 3.0 gpt Au cutoff										
Significant silver intercepts reported at 5 gpt Ag cutoff (longer than 30 meters); include at 15 gpt Ag cutoff (longer than 5 meters)										
							6.0	119.00	1.05	2.7
RDIN-001	[illegible]	0		281.60	[illegible]		1.0	135.00	0.33	9.8
							1.0	139.00	1.99	31.7
							41.0	40.00	0.01	18.6
						Include	8.0	66.00	0.01	24.8
							30.0	132.00	0.01	21.6
RIN-001A	[illegible] -70		0	264.00	[illegible]		60.0	204.00	0.01	14.1
						Include	7.0	225.00	0.01	23.4

					Include	6.0	234.00	0.02	32.5
RIN-002	[illegible]	0	300.00	[illegible]			No significant intercepts		

Quality Assurance

Industry standard practices were used for sampling of diamond drilling. Drilling Samples were sent to the Activation Geological Services (AGS) chemical laboratory, located in the city of Coquimbo, Chile, where the samples were mechanically prepared (crushed and pulverized according to standard protocol). Chemical gold analyzes were performed using Au50 FA-AAS procedures (50 gram weight used for assays). Fusion with final determination performed by Atomic Absorption; The results obtained equal to or greater than 5gr / ton., were analyzed by Au30GRAV, fusion with final gravimetric determination. For the base metal assays, acid digestion was performed with final determination by ICPMS (Ultra-trace multi-element package). Silver results equal to or greater than 100gr / ton., were analyzed by Ag30GRAV, fusion with final gravimetric determination. AGS has NCh 17025-2005 accreditation for the aforementioned tests and its central laboratory is located at Avenida La Cantera 2270, Coquimbo, Chile.

Competent Person

Technical information in this press release that relates to Exploration Results including the information listed in the table above is based on work supervised, or compiled on behalf of Robert Trzebski, a Director of the Company. Mr. Trzebski, who is a member of the Australasian 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' consents to the inclusion of the technical information that he has reviewed and approved or has been compiled on his behalf.

About Austral Gold

Austral Gold Ltd. is a growing gold and silver mining, development and exploration company whose strategy is to expand the life of its cash generating assets in Chile, restart its Casposo mine in Argentina and build a portfolio of quality assets in Chile, the USA and Argentina organically through a Tier 1 or 2 exploration strategy and via acquisitions and strategic partnerships. Austral owns a 100% interest in the Guanaco/Amancaya mine in Chile and the Casposo Mine (currently on care and maintenance) in Argentina, a non-controlling interest in the Rawhide Mine in Nevada, USA and a non-controlling interest in Ensign Gold which holds the Mercur project in Utah, USA.

In addition, Austral owns an attractive portfolio of exploration projects in the Paleocene Belt in Chile (including those acquired in the 2021 acquisition of Revelo Resources Corp.), a noncontrolling interest in Pampa Metals and a 100% interest in the Pingüino project in Santa Cruz, Argentina. Austral Gold Ltd. is listed on the TSX Venture Exchange (TSXV: AGLD) and the Australian Securities Exchange. (ASX: AGD). For more information, please consult Austral's website at 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.

Release approved by the Chief Executive Officer of Austral Gold, Stabro Kasaneva.

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