Austral Gold Limited
ABN 30 075 860 472
Level 5, 137-139 Bathurst Street
Sydney NSW 2000

ASX: AGD | TSXV: AGLD
OTCQB: AGLDF
info@australgold.com
https://australgold.com

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MEDIA RELEASE

2 October 2026

Austral Gold and Challenger Agree to End Toll Agreement

Austral Gold Limited (Austral or the Company) (ASX: AGD; TSX-V: AGLD; OTCQB: AGLDF), an established gold producer, announces that, further to its announcement of 10 September 2026, its subsidiary, Casposo Argentina Mining Ltd. ("Casposo"), and Challenger Gold Limited (ASX: CEL) ("Challenger") have terminated the Toll Processing Agreement dated 27 December 2024 (the "Toll Agreement"), effective 01 October 2026.

Under the termination agreement, Challenger has agreed to pay Casposo US$1.0 million, representing the deferred balance of the initial fee under the Toll Agreement (the "Deferred Payment"). The amount is payable on the earlier of 2 April 2029 and the commencement of commercial production at Challenger's Hualilan Project. Interest that had accrued on the deferred balance under the Toll Agreement has been waived, and no further interest will accrue unless the amount is not paid when due, in which case default interest of 6% per annum will apply from 2 January 2025.

The parties have also mutually released each other from all other claims arising out of or in connection with the Toll Agreement and its termination, without any admission of liability by either party.

Casposo continues to process its own material from its own mining operations. Based on the Mineral Reserve estimate for the Casposo Mine as of 30 June 2025, as disclosed in the Company's technical report dated 14 October 2025, the operation had an estimated remaining mine life of approximately 74 months based on Mineral Reserves (1). The Company does not expect a material financial impact in the current period from not processing mineralised material under the Toll Agreement.

The parties have agreed to continue good-faith discussions on a potential agreement for Casposo to purchase mineralised material from the Hualilan Project, as well as other potential commercial opportunities. The Company also continues to evaluate other third-party processing and mineralised material purchase opportunities in the San Juan region, where Casposo is one of the few permitted and operating processing facilities.

(1) Refer to the technical report entitled *"Technical Report on the Casposo Mine, San Juan Province, Argentina"* with an effective date of 30 June 2025 and a report date of 14 October 2025, available under the Company's profile on SEDAR+ *at www.sedarplus.ca and on the ASX website at www.asx.com.au.*

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Competent Person

The scientific and technical information contained in this release has been reviewed and approved by Marcos Valencia, FAusIMM, a Qualified Person as defined by National Instrument 43-101 and a Competent Person as defined under the JORC Code (2012 Edition).

Mr. Valencia is an employee of Austral Gold Limited and is not independent of the Company. Mr. Valencia has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person under the JORC Code 2012 and as a Qualified Person under NI 43-101.

Mr Valencia consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the technical report referred to above, and that all material assumptions and technical parameters underpinning the Mineral Reserve estimate continue to apply and have not materially changed.

About Austral Gold

Austral Gold is a growing gold and silver mining producer building a portfolio of quality assets in the Americas based on three strategic pillars: production, exploration and equity investments. Austral continues to lay the foundation for its growth strategy by advancing its attractive portfolio of producing and exploration assets. Under its equity investments pillar, Austral holds shares in ASX-listed Unico Silver.

For more information, please visit the Company'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.

For additional information please contact:

David Hwang

Joint Company Secretary
Austral Gold Limited
david@confidantpartners.com
+61 433 292 290

Jose Bordogna, CFA

Chief Financial Officer and Joint Company Secretary
Austral Gold Limited
jose.bordogna@australgold.com
+61 466 892 307

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Forward Looking Statements

Statements in this announcement that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections and statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", “potential”, "should", "anticipates", "likely", "believes" and words of similar expressions are intended to identify forward-looking statements.

The forward-looking statements in this announcement include, but are not limited to, the timing and receipt of the Deferred Payment, the timing of commencement of commercial production at the Challenger’s Hualilan Project, which is outside the Company’s control; the expectation that the termination of the Toll Agreement will not have a material financial impact on the Company during the current reporting period; the potential for Casposo and Challenger to enter into future commercial arrangements, including a potential purchase of mineralised material from the Hualilan Project; the anticipated mine life of the Casposo operation based on current Mineral Reserve estimates; the Company's evaluation of additional third-party processing and mineralised material purchase opportunities in the San Juan region; and the Company’s growth strategy, and future business prospects.

All of these 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 from those expressed or implied, including, without limitation, uncertainty of exploration programs, development plans and cost estimates, commodity price fluctuations; counterparty and credit risk, including Challenger’s ability to pay the Deferred Payment when due; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral resources and reserves; and other risks and hazards related to the exploitation and development of mineral properties, as well as the availability of capital. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Austral cannot assure that actual results, performance or outcomes will be consistent with these forward-looking statements, and management’s assumptions may prove to be incorrect. Forward-looking statements reflect the Company’s current expectations regarding future events and operating performance and speak only as of the date hereof and Austral does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, readers should not place undue reliance on forward-looking statements.