



Shares on Issue: 55.8m
Share Price: \$0.15
Market Capitalisation: \$8.4m

Asset Base – WA, Australia
Cannon Gold Mine (100%)
Glandore Gold Project (75%*)
Cowarna Gold Project (100%)
*currently earning 90%

Asset Base – South Korea
Gubong Project (50%/50% BMV)
Kochang Project (100%*/BMV)
Taechang Project (100%)
Weolyu Au-Ag Project (100%)
Hampyeong Au-Ag Proj. (100%)
Aphae Au-Ag Project (100%)
Deokon Au-Ag Project (100%)
Beopseongpo Au Project (100%)
Neungju Au-Ag Project (100%)
Sonbul Au-Ag Project (100%)
*Currently under BMV farm-in

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High grade gold-silver zones confirmed at Weolyu South Project, South Korea

- Additional infill channel samples taken from in-situ epithermal vein system within small-scale historic mine.
- Significant intercepts include **0.4m @ 32.8g/t gold and 764g/t silver, 0.45m @ 30.0g/t gold and 1,280g/t silver, and 0.55m @ 28.9g/t gold and 1,350g/t silver.**
- Re-assay of Weolyu samples has resulted in 30% increase in previously reported gold grades after quality control checks.

Underground infill channel sampling completed

Southern Gold has completed the second phase of systematic underground channel sampling at its 100% owned Weolyu South gold-silver project in central South Korea (**Figure 1**). The sampling was designed to infill and extend previous results and as a quality assurance ("QAQC") program checking on assaying protocols. Previous underground sampling results were reported in ASX release "*High grade gold and silver results from new work on historic South Korean mine*" on 20 December 2017.

In this new phase of work a total of 18 new channel sample lines were taken as infill or extensional samples and a further 29 lines were re-assayed for 34 samples, from coarse rejects retained from the first round of sampling in 2017. New samples were collected from three horizons along the historical drives (**Figures 2 & 3**).

The results from the new channel lines are highlight in **Table 1**, with re-assaying of the original samples tabulated in **Table 2** with old and new values. These newly reported results have continued to produce excellent gold and silver grades associated with the three currently defined high grade zones or shoots.

A review into sample preparation and assaying results was conducted as part of a general QAQC review through a third-party laboratory following indications of statistical variance in the original analysis. This review returned a significant variance on all sample fire assay gold results including an average 30% increase in gold grades from the Weolyu samples, a significant uplift which has an impact on economic potential with a clear high-grade gold-silver zone showing greater consistency.

Southern Gold Managing Director, Mr. Simon Mitchell: "*Weolyu is Southern Golds premier exploration target and continues to impress with its very high grade gold and silver tenor from high quality drill-equivalent channel samples at close to true width on the vein. This underground channel sampling is on only one vein system while we have identified multiple epithermal quartz veins on surface, most of which remain untested by drilling. The Company plans to drill the down plunge extension of this very high-grade gold-silver system and the other untested epithermal quartz vein systems in the coming year.*"

Weolyu Channel Sampling

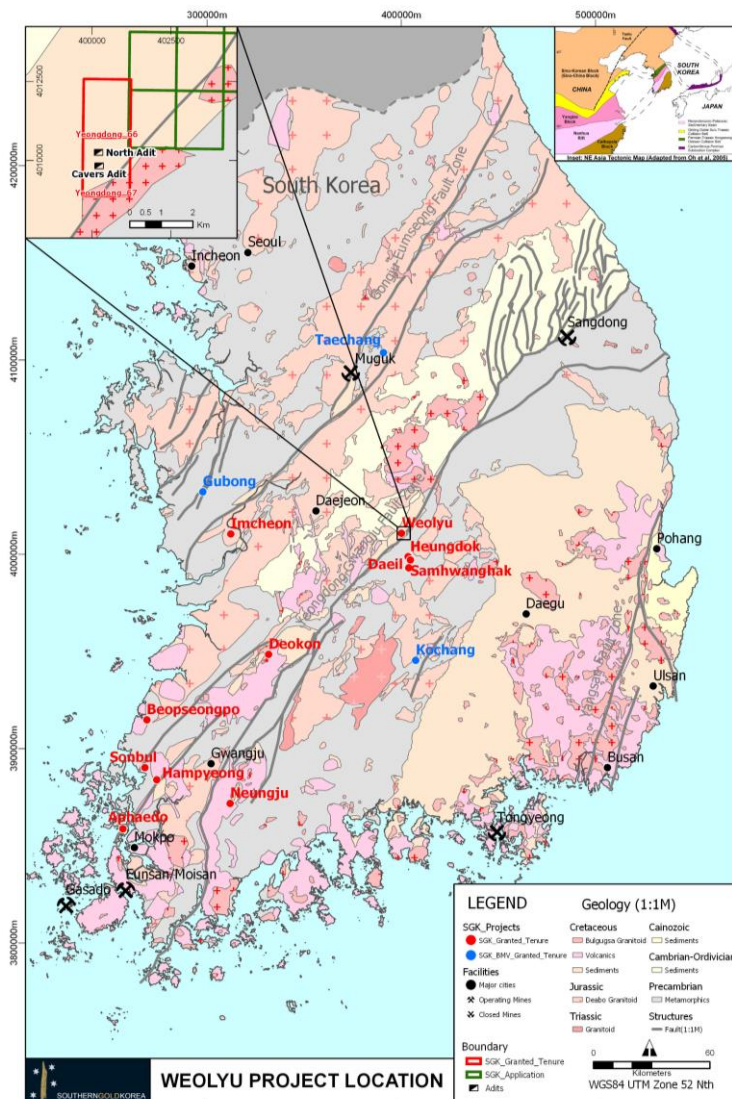


Figure 1: Weolyu Project Location

The sampling resulted in some excellent ivory high grade intercepts, see **Table 3** below, notably from the upper 330m Level with **0.4m @ 32.8g/t Au & 764 g/t Ag**, **0.45m @ 30.0g/t Au & 1,280 g/t Ag** and **0.55m @ 28.9 g/t Au & 1,350 g/t Ag**. The best intercept on the 310 level was **0.7m @ 21.8 g/t Au & 469 g/t Ag**.

Photo 1 (right): Sample KRD500635. Rock slab photo from Sample line FS330N_014 returning **0.4m @ 32.8 g/t Au and 764 g/t Ag**. High-level low-sulphidation chalcidonic, banded and bladed, quartz-adularia-sulphide-electrum vein.



The Weolyu Project (**Figure 1**) is located 170km SE of Seoul in the Yeongdong Province and approximately 65km ESE of the major city of Daejeon, where Southern Gold operations are based. The Weolyu Project consists of a historic underground mine that exploited epithermal style silver/gold/germanium mineralisation on several structures. The bulk of historical mining occurred on the north side of the river, referred to as Weolyu North. The south side of the river is referred to as Weolyu South, and is some 200m or more, higher in elevation than Weolyu North, See long section, **Figure 2**.

This round of sampling builds on an initial channel sampling program conducted in November 2017 and also includes a review of assay re-sampling from this first program through a third party umpire lab, as part of a QAQC review. The infill and extensional sampling consisted of 18 new lines focused around the defined high grade mineralisation of the Southern Shoot by seeking to extend the strike extension and assess grade continuity.

Table 1. Weolyu top ten significant channel sample results.

Line ID	Interval (m)	Au (g/t)	Ag (g/t)	Au (gm)
FS330N_014	0.4	32.80	764.0	13.1
FS330N_013	0.45	30.00	1,280.0	13.5
FS330S_006	0.55	28.90	1,350.0	15.9
FS310N_002	0.7	21.80	469.0	15.3
FS310N_019	0.34	15.07	272.6	5.1
FS330N_001	0.5	10.85	503.0	5.4
FS310N_001	0.55	9.94	181.0	5.5
FS330S_001	0.6	8.84	501.5	5.3
FS310S_001	1.12	8.70	222.4	9.7
FS310N_029	0.46	8.40	197.0	3.9

While the strike was not extended significantly, the infill sample results confirmed the high-grade continuity of the shoots. While no 3D model grade calculation has been completed on shoot grades, the average tenor of the length weighted grade along strike on the 310mRL, over a 30m strike length with an average vein width of **0.42m is 8.3 g/t Au and 193 g/t Ag**. While over a 25m strike length, the 330mRL Level has an average width of **0.44m for 13.1 g/t Au and 522 g/t Ag**. Using a simplistic length weighted calculation, the average grade of the Southern Shoot is estimated to be **10.6 g/t Au and 348 g/t Ag**, between the two levels. This will need to be more thoroughly tested with infill diamond drilling and does not utilise any statistical evaluation or top cut values.

Diamond drilling will be undertaken to test for depth extensions below the Southern Shoot on the 310 Level and repeat parallel structures that are interpreted to exist from surface mapping.

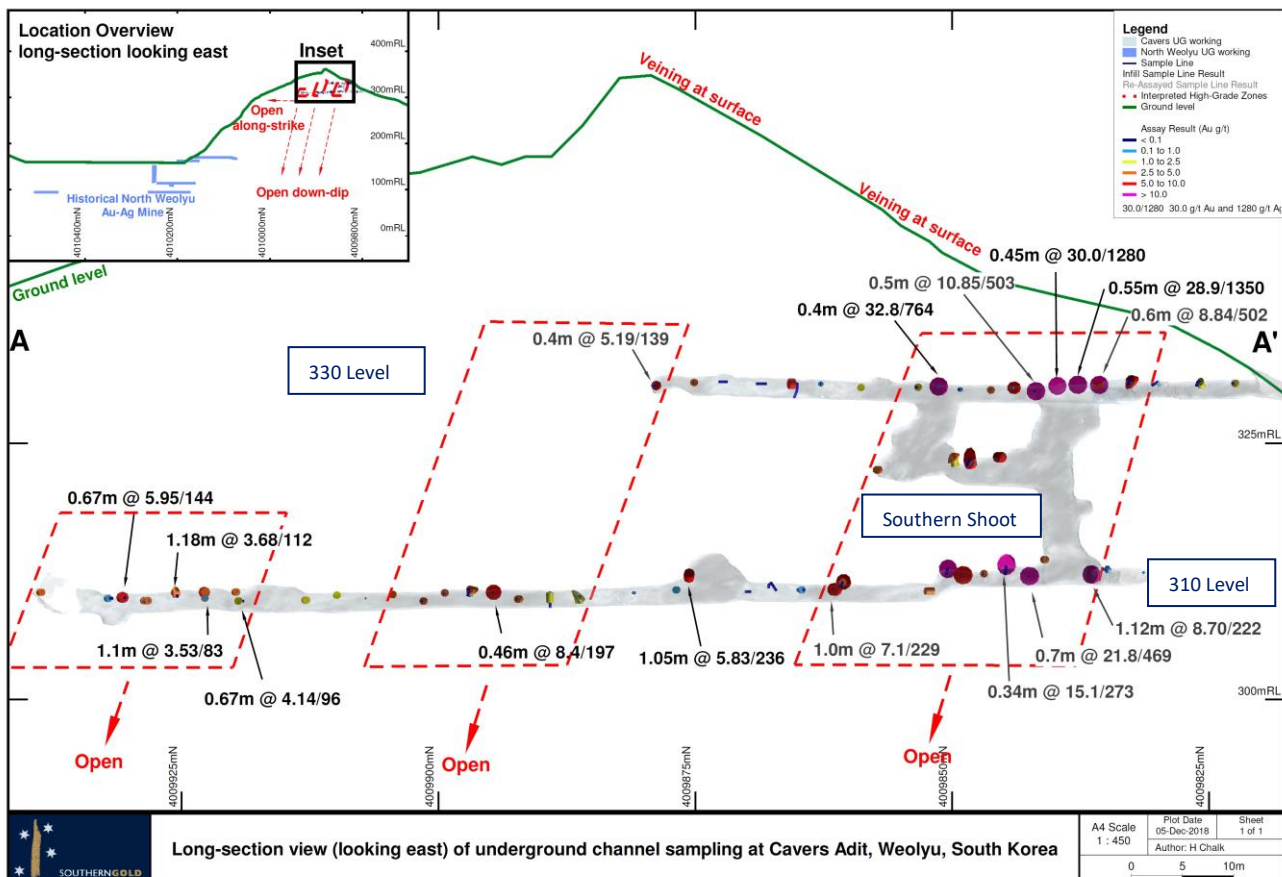


Figure 2: Long section of the Weolyu old workings with second round channel sampling results highlighted.



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Weolyu QAQC reassaying

In the normal course of conducting check assays at an independent second laboratory, it was noted that many gold samples at Weolyu were subsequently showing an increase in grade when comparing second lab results to the primary lab results. A detailed review determined a combination of factors has led the primary lab to under-report assay results from Weolyu. The re-sampling program, along with additional and infill channel sampling lines have been conducted and the results from this work has resulted in a material upgrading of these earlier sample intervals, highlighted by the new significant Intercepts table (**Table 2 & 3**). These results supersede those as announced ASX Release 20 December 2017. Whilst the increase in grade is a positive for the Weolyu project, there has been a thorough lab review and changes have been made to limit any potential future under-reporting of results.

Utilising essentially the same procedures, the umpire lab results (for gold only), show an increase in precision, 30% less variance and unexpectedly, also show a marked positive shift in accuracy (13% upgrading average all samples, notably ~30% at Weolyu Underground, and a number of samples over 100% to 200% upgraded), with very few samples reporting lower bias. It should be noted that silver correspondingly returned a much smaller 8% lower variance, which is yet to be fully investigated.

Line ID	Sample Type	Interval (m)	Au (g/t)	Ag (g/t)	Au (gm)	Sample Line	Orig. Au g/t	Orig Ag g/t	Variance Au	Variance Ag
FS310N_001	Channel	0.55	9.94	181.0	5.5	Original Sample	8.36	184.0	19%	-2%
FS310N_002	Channel	0.7	21.80		15.3	Original Sample	17.7	469.0	23%	
FS310N_003	Channel	0.9	3.17		2.9	Original Sample	3.45	101.0	-8%	
FS310N_004	Channel	1	7.10		7.1	Original Sample	5.06	229.0	40%	
FS310N_005	Channel	0.35	0.86	23.6	0.3	Original Sample	0.83	31.9	4%	-26%
FS310N_007	Channel	0.5	0.99	43.2	0.5	Original Sample	0.7	53.0	41%	-19%
FS310N_009	Channel	0.67	1.76	50.6	1.2	Original Sample	1.18	62.3	49%	-19%
FS310N_010	Channel	0.75	4.03	73.6	3.0	Original Sample	4.71	95.9	-14%	-23%
FS310N_011	Channel	0.44	2.81	90.2	1.2	Extension Line	2.05	96.3	37%	-6%
FS310N_013	Channel	1.3	1.37	43.9	1.8	Original Sample	1.07	46.5	28%	-6%
FS310N_014	Channel	0.4	1.58	33.7	0.6	Original Sample	1.63	30.9	-3%	9%
FS310N_015	Channel	0.5	3.62	97.7	1.8	Original Sample	3.13	110.0	16%	-11%
FS310N_016	Channel	1.18	3.68	112.0	4.3	Original Sample	3.16	140.3	16%	-20%
FS310N_017	Channel	1.3	2.10	68.1	2.7	Original Sample	1.78	70.5	18%	-3%
FS310N_018	Channel	0.6	2.85	54.6	1.7	Original Sample	1.12	55.2	154%	-1%
FS310N_019	Channel	0.34	15.07	272.6	5.1	Original Sample	12.91	285.4	17%	-4%
FS310N_020	Channel	0.38	5.88	121.2	2.2	Original Sample	4.75	127.5	24%	-5%
FS310N_021	Channel	0.48	6.23		3.0	Original Sample	4.47	191.5	39%	
FS310N_022	Channel	0.4	2.75		1.1	Original Sample	2.31	107.0	19%	
FS310S_001	Channel	1.12	8.70	222.4	9.7	Original Sample	11	161.0	-21%	38%
FS320N_002	Channel	1.39	2.26	96.2	3.1	Original Sample	1.41	102.8	60%	-6%
FS320N_003	Channel	0.8	4.04	95.1	3.2	Original Sample	4.15	107.0	-3%	-11%
FS330N_001	Channel	0.5	10.85		5.4	Original Sample	9.26	503.0	17%	
FS330N_002	Channel	0.4	4.40	197.0	1.8	Original Sample	3.34	201.0	32%	-2%
FS330N_003	Channel	0.6	0.35		0.2	Original Sample	0.35	139.0	0%	
FS330N_004	Channel	0.3	1.91	42.5	0.6	Original Sample	1.7	54.0	12%	-21%
FS330N_005	Channel	1.1	0.94	45.3	1.0	Original Sample	0.45	42.5	109%	7%
FS330N_007	Channel	0.6	5.71	106.0	3.4	Original Sample	4.32	114.0	32%	-7%
FS330N_010	Channel	0.5	3.00	127.0	1.5	Original Sample	2.55	138.0	18%	-8%
FS330N_011	Channel	0.4	5.19	139.0	2.1	Original Sample	5.11	137.0	2%	1%
FS330S_001	Channel	0.6	8.84	501.5	5.3	Original Sample	8.04	502.5	10%	0%
FS330S_002	Channel	0.44	6.12		2.7	Original Sample	4.87	157.0	26%	
FS330S_004	Channel	0.56	1.60	99.5	0.9	Original Sample	1.18	104.0	36%	-4%
FS330S_005	Channel	0.4	1.73	85.7	0.7	Original Sample	1.69	105.0	2%	-18%

Table 2: Significant intersection of ore vein assay values from selected new channel lines and original values, Weolyu.

The increase in precision and accuracy from comparison of the primary lab and umpire lab, seems to be a result of a combination of factors, namely poor sample pulp splitting and poor fire assay fusion. The umpire results show that the initial variance observed is not primarily due to “nugget affect” but due to the size of the sample split for analysis. As part of the remedy, Southern Gold now utilise a large 1kg sample for pulverizing and include a micro-riffle splitting stage to ensure a more homogenous representative sample. Full detailed results are presented in **Appendix 1, Tables 4 and 5.**

Planned Activities

The recent sampling results coupled with detailed geological mapping will be used in a 500m drill program targeting the main high-grade Southern Shoot. Currently 2 short holes are planned to target between the 330 and 310 Levels, and 3 holes targeting below the 310 Level looking to intercept the down plunge projection of the Southern Shoot. A MetreEater underground drill rig has been sourced to conduct short drill holes up to 70m in the Weolyu South old workings. This rig type can operate in hard-to-access areas within confined spaces. (**Photo 2**).

In addition, plans are in preparation to consider a small ‘wet’ percussion drilling program from underground utilising a Bar & Arm machine to test for parallel veins adjacent to the drive and confirm metre scale offsets of the current defined shoots along the strike of the drives and along strike of the Southern Shoot.

Additional work will include pumping out a flooded sublevel below the 310 Level and assessing access.



Photo 2: Weolyu 310 Level development drive.

Related ASX Releases

20161206 ASX - Multiple gold-silver mineralized quartz vein zones identified at Weolyu, South Korea.

20170608 ASX - Kilometer scale systems identified at Weolyu and Kochang, South Korea.

20171220 ASX – High grade gold and silver results from new work on historic South Korean mine.

Southern Gold Limited: Company Profile

Southern Gold Ltd is a successful gold explorer and producer listed on the Australian Securities Exchange (under ASX ticker “SAU”). At the Cannon project near Kalgoorlie we are currently looking to develop a small underground operation on the basis of a high grade JORC resource with mineralisation currently open at depth. Southern Gold is also looking to develop a second mine in South Korea within the next 12-18 months with development partner London-listed Bluebird Merchant Ventures.

In South Korea Southern Gold also owns a portfolio of high-grade gold projects that are a combination of decommissioned gold mines with orogenic gold mineralisation and greenfield epithermal gold-silver targets. Backed by a first-class technical team, including renowned geologist Douglas Kirwin, Southern Gold’s aim is to find world-class epithermal gold-silver deposits.

Southern Gold looks to monetise the small gold deposits while we search for the bigger ones.

Competent Person’s Statements

The information in this report that relates to Exploration Results from the Weolyu underground sampling program and Exploration estimates has been compiled under the supervision of Mr. Paul Androvic (AusIMM). Mr Androvic who is an employee of Southern Gold Limited and a Member of the Australasian Institute of Mining and Metallurgy, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr Androvic consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Forward-looking statements

Some statements in this release regarding estimates or future events are forward looking statements. These may include, without limitation:

- *Estimates of future cash flows, the sensitivity of cash flows to metal prices and foreign exchange rate movements;*
- *Estimates of future metal production; and*
- *Estimates of the resource base and statements regarding future exploration results.*

Such forward looking statements are based on a number of estimates and assumptions made by the Company and its consultants in light of experience, current conditions and expectations of future developments which the Company believes are appropriate in the current circumstances. Such statements are expressed in good faith and believed to have a reasonable basis. However, the estimates are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from estimated results.

All reasonable efforts have been made to provide accurate information, but the Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this presentation, except as may be required under applicable laws. Recipients should make their own enquiries in relation to any investment decisions from a licensed investment advisor.

APPENDIX 1:

Table 4: Channel sample assay data from SAU sampling of the 330, 320 and 310 Level workings at the Weolyu South Mine. Interval widths refer to along channel sample widths, which were visually located perpendicular to veining along the channel line and are considered approximate true vein widths. Grid Reference - WGS84_Z52Nth.

Line ID	East	North	RL	Line Width (m)	Sample Type	Interval (m)	Au (g/t)	Ag (g/t)	Au (gm)
FS310N_001	400224.1	4009849.2	312.1	1.6	Channel	0.55	9.94	181.00	5.5
FS310N_002	400222.7	4009842.7	312.0	1.5	Channel	0.7	21.80	469.00	15.3
FS310N_003	400225.0	4009852.6	310.6	0.9	Channel	0.9	3.17	101.00	2.9
FS310N_004	400223.9	4009861.7	310.7	1.6	Channel	1	7.10	229.00	7.1
FS310N_005	400224.7	4009864.4	310.7	1.7	Channel	0.35	0.86	23.60	0.3
FS310N_007	400224.2	4009877.0	310.7	1.9	Channel	0.5	0.99	43.20	0.5
FS310N_009	400223.8	4009886.3	310.0	2.27	Channel	0.67	1.76	50.60	1.2
FS310N_010	400225.7	4009892.5	309.8	1.5	Channel	0.75	4.03	73.60	3.0
FS310N_011	400227.0	4009897.2	310.1	2.23	Channel	0.44	2.81	90.20	1.2
FS310N_013	400230.1	4009912.7	309.7	1.5	Channel	1.3	1.37	43.94	1.8
FS310N_014	400230.0	4009919.5	309.6	2.3	Channel	0.4	1.58	33.70	0.6
FS310N_015	400230.6	4009922.6	309.9	1.6	Channel	0.5	3.62	97.70	1.8
FS310N_016	400230.3	4009925.4	309.9	2.06	Channel	1.18	3.68	112.02	4.3
FS310N_017	400229.1	4009928.2	309.6	1.6	Channel	1.3	2.10	68.12	2.7
FS310N_018	400225.5	4009938.8	310.5	0.6	Channel	0.6	2.85	54.63	1.7
FS310N_019	400223.2	4009844.9	312.2	1.62	Channel	0.34	15.07	272.65	5.1
FS310N_020	400224.4	4009850.6	312.2	2.2	Channel	0.38	5.88	121.19	2.2
FS310N_021	400223.7	4009860.9	311.0	1.86	Channel	0.48	6.23	191.50	3.0
FS310N_022	400228.7	4009901.7	309.6	1.5	Channel	0.4	2.75	107.00	1.1
FS310S_001	400220.5	4009836.0	312.2	1.6	Channel	1.12	8.70	222.41	9.7
FS320N_002	400228.1	4009849.6	322.8	1.39	Channel	1.39	2.26	96.24	3.1
FS320N_003	400229.5	4009857.2	322.4	1.2	Channel	0.8	4.04	95.10	3.2
FS330N_001	400226.3	4009842.0	330.1	1.8	Channel	0.5	10.85	503.00	5.4
FS330N_002	400227.9	4009846.2	330.2	1.5	Channel	0.4	4.40	197.00	1.8
FS330N_003	400228.9	4009849.3	330.2	1.3	Channel	0.6	0.35	139.00	0.2
FS330N_004	400230.7	4009853.4	330.4	1.5	Channel	0.3	1.91	42.50	0.6
FS330N_005	400232.9	4009858.6	330.4	1.5	Channel	1.1	0.94	45.34	1.0
FS330N_007	400235.0	4009865.5	330.8	2.37	Channel	0.6	5.71	106.00	3.4
FS330N_010	400228.9	4009875.1	330.9	1.5	Channel	0.5	3.00	127.00	1.5
FS330N_011	400229.8	4009879.0	330.6	1.7	Channel	0.4	5.19	139.00	2.1
FS330S_001	400225.9	4009835.6	330.7	0.9	Channel	0.6	8.84	501.50	5.3
FS330S_002	400224.2	4009832.3	330.6	1.66	Channel	0.44	6.12	157.00	2.7
FS330S_004	400219.5	4009825.9	330.6	1.83	Channel	0.56	1.60	99.50	0.9
FS330S_005	400217.7	4009822.5	330.8	1.5	Channel	0.4	1.73	85.70	0.7
FS310N_024	400223.7	4009847.1	312.3	1.25	Channel	0.3	2.95	67.10	0.9
FS310N_025	400222.7	4009841.2	313.7	0.75	Channel	0.75	3.83	57.30	2.9
FS310N_026	400223.7	4009875.7	312.3	1.05	Channel	1.05	5.83	236.00	6.1
FS310N_027	400225.7	4009889.2	310.6	1.6	Channel	1	1.79	47.40	1.8
FS310N_028	400227.8	4009899.6	310.4	1.3	Channel	0.35	2.63	73.50	0.9
FS310N_029	400226.5	4009894.8	310.5	1.45	Channel	0.46	8.40	197.00	3.9
FS310N_030	400230.2	4009904.4	310.3	1.2	Channel	0.4	3.92	210.00	1.6
FS310N_031	400230.6	4009909.7	310.2	1.25	Channel	0.7	2.03	70.70	1.4
FS310N_032	400230.4	4009919.5	310.5	0.8	Channel	0.67	4.14	96.10	2.8
FS310N_033	400230.9	4009922.6	310.5	1.2	Channel	1.1	3.53	83.18	3.9
FS310N_034	400228.4	4009930.5	310.0	1.5	Channel	0.67	5.95	144.00	4.0
FS310N_035	400227.9	4009931.7	309.9	1.45	Channel	0.4	0.89	21.90	0.4
FS310S_011	400217.7	4009834.9	312.7	0.95	Channel	0.2	0.62	15.30	0.1
FS320N_004	400225.5	4009845.7	323.6	1.3	Channel	0.95	5.57	221.00	5.3
FS330N_012	400227.4	4009844.1	330.4	1.5	Channel	0.65	6.81	248.00	4.4
FS330N_013	400226.6	4009839.7	330.6	1.1	Channel	0.45	30.00	1280.00	13.5
FS330N_014	400229.9	4009851.4	330.5	1.35	Channel	0.4	32.80	764.00	13.1
FS330S_006	400227.2	4009837.5	330.7	1.05	Channel	0.55	28.90	1350.00	15.9

Table 5: All Samples with Line ID's and From and To data. Samples with a '-1' indicate an umpire lab duplicate, and samples with a '-R' indicate a re-assay duplicate of an original sample coarse reject.

Line ID	Sample ID	From	To	Interval (m)	Sample Type	Au (g/t)	Ag (g/t)
FS310N_001	KRD500001-R	0.65	1.2	0.55	Channel	9.94	181
FS310N_001	KRD500002	1.2	1.6	0.4	Channel	0.07	6.3
FS310N_002	KRD500004-1	0.4	1.1	0.7	Channel	21.8	469
FS310N_002	KRD500003	1.1	1.5	0.4	Channel	0.02	25.23
FS310N_003	KRD500005-1	0	0.9	0.9	Channel	3.17	101
FS310N_004	KRD500006-1	0.2	1.2	1	Channel	7.1	229
FS310N_005	KRD500007-R	0.5	0.85	0.35	Channel	0.86	23.6
FS310N_005	KRD500008	0.85	1.7	0.85	Channel	0.005	2.6
FS310N_006	KRD500010	1.15	1.6	0.45	Channel	0.12	4.51
FS310N_007	KRD500011-R	0	0.5	0.5	Channel	0.99	43.2
FS310N_008	KRD500012	0.3	1	0.7	Channel	0.18	13.44
FS310N_009	KRD500014-R	1.6	2.27	0.67	Channel	1.76	50.6
FS310N_010	KRD500015-R	0.5	1.25	0.75	Channel	4.03	73.6
FS310N_010	KRD500016	1.25	1.5	0.25	Channel	0.41	28.67
FS310N_011	KRD500017	0.82	1.31	0.49	Channel	0.01	2.41
FS310N_011	KRD500018-R	1.31	1.75	0.44	Channel	2.81	90.2
FS310N_011	KRD500020	1.75	2.23	0.48	Channel	0.35	43.21
FS310N_012	KRD500019	0.2	1	0.8	Channel	0.13	7.42
FS310N_013	KRD500021-R	0.2	0.6	0.4	Channel	1.5	65.6
FS310N_013	KRD500022	0.6	1.2	0.6	Channel	0.01	6.22
FS310N_013	KRD500024-R	1.2	1.5	0.3	Channel	3.91	90.5
FS310N_014	KRD500023-R	0	0.4	0.4	Channel	1.58	33.7
FS310N_014	KRD500025	0.4	1	0.6	Channel	0.38	10.54
FS310N_015	KRD500026	0	0.9	0.9	Channel	0.48	14.95
FS310N_015	KRD500027-R	0.9	1.4	0.5	Channel	3.62	97.7
FS310N_016	KRD500028-R	0.37	1.05	0.68	Channel	4.21	136
FS310N_016	KRD500029-R	1.05	1.55	0.5	Channel	2.95	79.4
FS310N_017	KRD500030-R	0.2	0.75	0.55	Channel	2.77	80.6
FS310N_017	KRD500031	0.75	1.25	0.5	Channel	0.47	28.46
FS310N_017	KRD500032-R	1.25	1.5	0.25	Channel	3.9	120
FS310N_018	KRD500033-R	0	0.4	0.4	Channel	2.95	49
FS310N_018	KRD500034-R	0.4	0.6	0.2	Channel	2.64	65.9
FS310N_019	KRD500091-R	1.28	1.46	0.18	Channel	19	299
FS310N_019	KRD500092-1	1.46	1.62	0.16	Channel	10.65	243
FS310N_020	KRD500096	0.69	1.28	0.59	Channel	0.03	1.9
FS310N_020	KRD500093-R	1.28	1.37	0.09	Channel	13.8	265
FS310N_020	KRD500094-R	1.37	1.51	0.14	Channel	1.44	16.1
FS310N_020	KRD500095-R	1.51	1.66	0.15	Channel	5.28	133
FS310N_021	KRD500097	0.7	0.99	0.29	Channel	0.04	3.79
FS310N_021	KRD500098-1	0.99	1.23	0.24	Channel	4.22	147
FS310N_021	KRD500099-1	1.23	1.47	0.24	Channel	8.24	236
FS310N_021	KRD500100	1.47	1.86	0.39	Channel	0.24	18.18
FS310N_022	KRD500101-1	0.6	1	0.4	Channel	2.75	107
FS310N_023	KRD500009	1.35	1.94	0.59	Channel	0.005	1.42
FS310N_023	KRD500013	1.94	2.25	0.31	Channel	0.005	1.25
FS310S_001	KRD500035	0	1	1	Channel	0.05	1.55
FS310S_001	KRD500036-R	1	1.45	0.45	Channel	11.15	159
FS310S_002	KRD500037	0.05	1.05	1	Channel	0.18	1.87
FS310S_003	KRD500038	0	0.7	0.7	Channel	0.24	4.79
FS310S_004	KRD500039	0	0.6	0.6	Channel	0.47	3.81
FS310S_005	KRD500040	0	0.7	0.7	Channel	0.005	1.36
FS310S_006	KRD500041	0	0.7	0.7	Channel	0.005	0.64
FS310S_006	KRD500042	0.7	1.5	0.8	Channel	0.005	0.6
FS310S_006	KRD500046	1.5	1.8	0.3	Channel	0.04	3.17
FS310S_007	KRD500043	0	1	1	Channel	0.005	0.78

FS310S_007	KRD500044	1	1.5	0.5	Channel	0.005	0.66
FS310S_007	KRD500045	1.5	2	0.5	Channel	0.005	0.59
FS310S_007	KRD500047	2	3.19	1.19	Channel	0.005	0.18
FS310S_007	KRD500048	3.19	3.88	0.69	Channel	0.005	0.18
FS310S_007	KRD500049	3.88	4.71	0.83	Channel	0.005	0.26
FS310S_007	KRD500050	4.71	5.25	0.54	Channel	0.005	0.21
FS310S_007	KRD500051	5.25	5.75	0.5	Channel	0.005	0.63
FS310S_007	KRD500052	7.05	7.55	0.5	Channel	0.005	0.47
FS310S_007	KRD500089	8.8	9.81	1.01	Channel	0.02	2.77
FS310S_008	KRD500053	0.5	0.8	0.3	Channel	0.005	0.33
FS310S_009	KRD500054	0.1	0.6	0.5	Channel	0.005	0.39
FS310S_009	KRD500055	0.6	1.3	0.7	Channel	0.005	0.71
FS310S_010	KRD500056	0.2	1.1	0.9	Channel	0.005	2.01
FS310S_010	KRD500057	1.1	1.4	0.3	Channel	0.005	1.26
FS320N_001	KRD500058-R	1.1	1.77	0.67	Channel	7.06	265
FS320N_002	KRD500059-R	0	0.93	0.93	Channel	1.22	55.8
FS320N_002	KRD500060-1	0.93	1.39	0.46	Channel	4.35	178
FS320N_003	KRD500061-R	0	0.8	0.8	Channel	4.04	95.1
FS320N_003	KRD500062	0.8	1.2	0.4	Channel	0.05	4.84
FS330N_001	KRD500065-1	0.9	1.4	0.5	Channel	10.85	503
FS330N_001	KRD500066	1.4	1.8	0.4	Channel	0.09	7.78
FS330N_002	KRD500064-R	0.7	1.1	0.4	Channel	4.4	197
FS330N_003	KRD500063	0.7	1.3	0.6	Channel	0.35	139
FS330N_004	KRD500074-R	0.9	1.2	0.3	Channel	1.91	42.5
FS330N_005	KRD500075-R	0	0.5	0.5	Channel	1.76	8.7
FS330N_005	KRD500076	0.5	1.1	0.6	Channel	0.26	75.88
FS330N_005	KRD500077	1.1	1.5	0.4	Channel	0.09	1.67
FS330N_006	KRD500078	0.4	1	0.6	Channel	0.005	1.16
FS330N_006	KRD500079	1	1.5	0.5	Channel	0.42	39.7
FS330N_007	KRD500080-R	0	0.6	0.6	Channel	5.71	106
FS330N_007	KRD500081	0.6	1.6	1	Channel	0.005	15.58
FS330N_007	KRD500082	1.6	2.37	0.77	Channel	0.005	1
FS330N_008	KRD500083	1.1	1.5	0.4	Channel	0.005	0.74
FS330N_009	KRD500084	0.8	1.3	0.5	Channel	0.05	2.03
FS330N_010	KRD500085-R	0.8	1.3	0.5	Channel	3	127
FS330N_011	KRD500086	0	0.3	0.3	Channel	0.01	0.68
FS330N_011	KRD500087	0.3	0.7	0.4	Channel	0.02	7.04
FS330N_011	KRD500088-R	0.7	1.1	0.4	Channel	5.19	139
FS330N_011	KRD500090	1.1	1.7	0.6	Channel	0.04	1.27
FS330S_001	KRD500067-1	0.1	0.4	0.3	Channel	12.6	770
FS330S_001	KRD500068-R	0.4	0.7	0.3	Channel	5.07	233
FS330S_002	KRD500069-R	0.46	0.9	0.44	Channel	6.12	157
FS330S_003	KRD500070	0	0.46	0.46	Channel	0.24	26.51
FS330S_004	KRD500071-R	0	0.56	0.56	Channel	1.6	99.5
FS330S_005	KRD500072	0	0.3	0.3	Channel	0.005	2.39
FS330S_005	KRD500073-R	0.3	0.7	0.4	Channel	1.73	85.7
FS310N_024	KRD500641	0.25	0.75	0.5	Channel	0.02	2.2
FS310N_024	KRD500642	0.75	1.05	0.3	Channel	2.95	67.1
FS310N_024	KRD500643	1.05	1.25	0.2	Channel	0.31	8.5
FS310N_025	KRD500644	0	0.75	0.75	Channel	3.83	57.3
FS310N_026	KRD500646	0	1.05	1.05	Channel	5.83	236
FS310N_027	KRD500648	0.1	1.1	1	Channel	1.79	47.4
FS310N_028	KRD500649	0.15	0.65	0.5	Channel	0.02	1.3
FS310N_028	KRD500650	0.65	1	0.35	Channel	2.63	73.5
FS310N_028	KRD500651	1	1.3	0.3	Channel	0.42	19.7
FS310N_029	KRD500653	0.1	0.62	0.52	Channel	0.02	1.8
FS310N_029	KRD500654	0.62	1.08	0.46	Channel	8.4	197
FS310N_029	KRD500655	1.08	1.45	0.37	Channel	0.26	24.8
FS310N_030	KRD500657	0	0.4	0.4	Channel	3.92	210
FS310N_030	KRD500658	0.4	0.95	0.55	Channel	0.2	9.9

FS310N_031	KRD500659	0.1	0.8	0.7	Channel	2.03	70.7
FS310N_031	KRD500660	0.8	1.25	0.45	Channel	0.09	4.1
FS310N_032	KRD500661	0.13	0.8	0.67	Channel	4.14	96.1
FS310N_033	KRD500662	0	0.2	0.2	Channel	4.95	82.4
FS310N_033	KRD500663	0.2	0.65	0.45	Channel	0.44	10.7
FS310N_033	KRD500664	0.65	1.1	0.45	Channel	5.98	156
FS310N_034	KRD500667	0.6	1.27	0.67	Channel	5.95	144
FS310N_035	KRD500669	0.8	1.2	0.4	Channel	0.89	21.9
FS310S_011	KRD500638	0	0.3	0.3	Channel	0.03	2
FS310S_011	KRD500639	0.3	0.5	0.2	Channel	0.62	15.3
FS310S_011	KRD500640	0.5	0.95	0.45	Channel	0.02	1.1
FS320N_004	KRD500670	0	0.95	0.95	Channel	5.57	221
FS330N_012	KRD500625	0.1	0.65	0.55	Channel	0.24	10.9
FS330N_012	KRD500626	0.65	1.3	0.65	Channel	6.81	248
FS330N_012	KRD500628	1.3	1.5	0.2	Channel	0.07	3.1
FS330N_013	KRD500631	0.2	0.65	0.45	Channel	30	1280
FS330N_013	KRD500632	0.65	1.1	0.45	Channel	0.16	18.4
FS330N_014	KRD500634	0.1	0.6	0.5	Channel	0.13	5.9
FS330N_014	KRD500635	0.6	1	0.4	Channel	32.8	764
FS330N_014	KRD500636	1	1.35	0.35	Channel	0.07	21.2
FS330S_006	KRD500629	0	0.5	0.5	Channel	0.08	8.9
FS330S_006	KRD500630	0.5	1.05	0.55	Channel	28.9	1350

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>The nature of the samples and assay results in the body of this ASX Release relate to underground rock chip channel samples taken from the historical Cavers Adit Mine at the Weolyu Project, South Korea, within tenements held by Southern Gold.</p> <p>Sampling was done on rock exposed underground on the backs, faces and walls of drives 330N, 330S, 320N, 310S and 310N. Samples were of rock chips collected via a hand chisel and mechanised chisel.</p> <p>Sample intervals and sites were chosen selectively to reflect geological features relevant to the target style of mineralisation.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Measures taken to ensure sample representivity include controls on sample quality and sample location, including sample line collar position; sample line survey; and, sample depths. These are collected via tape and compass, and lidar surveyed underground tie in; a compass clinometer; and, tape measure.</p> <p>Sample quality is checked by the supervising geologist to ensure an even amount of sample is taken along the full sample interval, that no foreign material outside of the sample bounds is introduced, equipment is cleaned prior to taking a new sample and that rockchips are representative of in-situ material chiseled.</p> <p>Coarse and pulp duplicate samples are taken, as well as blanks and CRM standards inserted into analysis batches, to test for accuracy and precision in sample representivity.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	Determination of mineralisation was achieved by geological logging of sample lines by an experienced SAU geologist, with structural measurements taken where possible to allow a 3-dimensional study of the Cavers Adit mineralisation. Sample intervals were geologically logged for lithology, alteration, veining, and structure.
	<i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	<p>All samples discussed in this ASX Release are derived from 'industry standard': underground rockchip channel sampling, laboratory preparation and element analysis, QAQC, and data review.</p> <p>Rockchip samples were collected from a continuous channel with care taken to ensure an even amount of sample from each section of the sample interval. Sample downhole intervals lengths ranged from 0.09m to 1.19m. Individual sample weights from the infill sampling were in the range of 4.9kg maximum, to 0.9kg minimum, and an average of 2.2kg. Individual sample weights from the reassay sampling were in the range of 4.8kg maximum, to 0.6kg minimum, and an average of 2.8kg.</p> <p>A suite of QAQC samples were used to test for accuracy, precision, and contamination. All samples were prepared by SGS and analysed by ALS laboratories for gold and a multi-</p>

Criteria	JORC Code explanation	Commentary
		element suite (including silver and base metals). QAQC and laboratory processes are discussed in further detail below.
<i>Drilling techniques</i>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	Not applicable for this release.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Not applicable for this release.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Not applicable for this release.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Not applicable for this release.
<i>Logging</i>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Channel samples have been geologically logged. Geological logs were done to a level suitable to inform the selective sampling of this underground channel sampling program. No Mineral Resource estimation, mining studies or metallurgical studies have been conducted at this stage.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	Geological logging was qualitative in nature. Structural logging was quantitative in nature. Selective sample line photography has been done.
	<i>The total length and percentage of the relevant intersections logged.</i>	All sample lines have been logged, representing the total length for 100%.
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable for this release.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	Channels were sampled using a mechanised chisel undertaken by trained personnel following sample lines marked and supervised by the geologist. Samples were taken dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	All channel samples were sent to SGS laboratory in South Korea for sample preparation. SGS is an ISO/IEC 17025:2005 certified laboratory. Samples were dried and crushed to 75% passing 2mm, split to 1,000g, then pulverised to 85% passing 150 microns. This is a change in procedure from previous processes to address potential sampling bias. The nature of the laboratory preparation techniques are considered 'industry standard' and appropriate.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	The crushing stage unit is a Rocklabs Smart Boyd-RSD Crusher capable of over 5kg primary sample in one load, with rotating sample divider (RSD) ensuring single pass crushing, producing representative coarse sample split sent to grinding, typically up to 1,000g. Coarse rejects are retained for each sample. The grinding stage unit is an Essa LM2 and utilises a large grinding bowl (1,600g) ensuring single pass grinding of the

Criteria	JORC Code explanation	Commentary
		<p>coarse split. The full 1kg of pulp material was sent to ALS Laos for micro-riffle splitting enabling a parent pulp sample, a daughter pulp sample, and two reject pulp samples to be produced (typically each 250g) in one grind. Pulp rejects are retained for each sample.</p> <p>Analysis of the reject tails and size pass rates for both the crush and grind circuits indicates that the coarse and pulp split samples are considered representative of the primary sample.</p>
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Analysis of coarse-duplicate results (3) return a range of variance from 0.27 to 0.013 with an average of 0.11 for gold. A correlation coefficient for gold was unable to be calculated due to the close clustering of gold grade (1.44, 1.45, and 1.79). Pulp duplicate samples returned a correlation coefficient of 0.99 for gold. The sub-sampling techniques and sample preparation are considered representative and appropriate.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample size is considered appropriate for the target style of mineralisation, the requirements for laboratory sample preparation and analyses, and consideration reporting is for early stage Exploration Results.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>Pulp samples (typically 1,000g) prepared by SGS in South Korea are sent through registered airfreight (eg DHL) to ALS laboratory in Laos for Au analysis, with a 12.5g split sent to ALS Brisbane for multi-element analysis. ALS is an ISO/IEC 17025:2005 and ISO9001:2015 certified laboratory.</p> <p>Gold was analysed on a 50g charge using fire assay fusion with an atomic absorption spectroscopy finish (ALS method Au-AA26). Detection limit range is 0.01ppm to 100ppm Au.</p> <p>A 35 multi-element suite was analysed on a 0.5g pulp sample split using aqua regia digest with an inductively coupled plasma – atomic emission spectroscopy (ICP-AES) finish (ALS method ME-ICP41).</p> <p>Silver was analysed as part of the multi-element aqua-regia digest ICP-AES (method ME-ICP41), with an upper detection limit 100g/t Ag. Samples returning a result above detection were re-analysed to ore-grade (method ME-OG46) with an upper detection limit of 1500g/t Ag.</p> <p>The nature of the laboratory assay sampling techniques are considered 'industry standard' and appropriate.</p>
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Not applicable - no data from geophysical tools were used to determine analytical results in this ASX Release.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	QA/QC procedures implemented include: one coarse duplicate, one laboratory prepared pulp duplicate, one Certified Reference Material (CRM) standard, and one blank sample for every 16 regular samples, making a batch of 20. Sample dispatches aggregated three lots of these 20 samples making up to 60 samples per dispatch. 60 samples are run in the same fire assay, thus 3 lots of each QAQC samples were exposed in every fire assay run of 60 samples.

Criteria	JORC Code explanation	Commentary
		Analysis of the QA/QC results suggests suitable accuracy (CRM's within 1SD) and precision (coarse duplicate and pulp duplicate showing low variance and good correlation) are being obtained with no contamination between samples (blanks below 3X detection).
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Assay data has been verified by the database manager responsible for importing laboratory results into the database. Logging data and core sample intervals have been compiled by the senior geologists directly involved in the program, under guidance of the General Manager (Competent Person). Significant intersections in this ASX Release have been verified by the Competent Person.
	<i>The use of twinned holes.</i>	Not applicable for this release.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary data is recorded preferentially into proprietary data capture software or otherwise into digital spreadsheets or hand-written documents. All original hardcopy logs and sample reference sheets are kept for reference. Digital data entry is validated through the application of database validation rules and is also visually verified by the responsible geologist through GIS and other software. Any failures are sent back to the responsible geologist for correction and re-submission. Data is stored in a SQL database managed through proprietary software. The database is backed up as part of the Company server backup protocol.
	<i>Discuss any adjustment to assay data.</i>	Assay data is imported into the Company database from original lab files via automated queries, thus minimising error in tagging samples with results. No adjustments are made to the assay data.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Collar XYZ locations were determined via tape and compass surveying from known surveyed points located in the underground workings producing levels of accuracy +/- 0.1m.
	<i>Specification of the grid system used.</i>	The grid system used is Universal Transverse Mercator (WGS84), Zone 52 Northern Hemisphere.
	<i>Quality and adequacy of topographic control.</i>	South Korean Government 5m contour data is available and deemed suitable for topographic control on early stage exploration campaigns.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Channel sample infill lines in this ASX Release have been completed at approximately 2.5m apart (see plan map in main body of this release). Channel sample intervals within each line range from 0.09m to 1.19m. Sampling intervals were based on geological boundary and veining where possible.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	No Mineral Resource or Ore Reserve have been estimated in this ASX Release.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.

Criteria	JORC Code explanation	Commentary
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Sampling was undertaken to intersect mineralised structures as close to perpendicular as possible. Structural measurements taken on underground confirm that sampling intersected target structures close to perpendicular. These measures are considered to achieve unbiased sampling of key mineralised structures.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The relationship between sampling orientation and the orientation of key mineralised structures is not considered to have introduced any material sample bias, as discussed above.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	From the point of sample generation to laboratory, samples (and reject returns) are under the full security and Chain of Custody of the Company. This is done by the following procedures: Channel samples produced underground are transported to the Company's shed facilities under the direct supervision of a Company representative. Samples are further processed for dispatch by Company representatives under guidance of the Competent Person. Bagged samples are secured by tags and delivered by a Company representative to a courier service to deliver to the sample preparation laboratory. The preparation laboratory sends pulp samples directly to the assay laboratory for analysis via door-to-door courier service. All rejects are returned under courier service and stored in the Company's secure lock-up long-term core storage facility.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	In the normal course of conducting check assays at an independent second laboratory, it was noted that many gold samples at Weolyu were subsequently showing an increase in grade when comparing second lab results to the primary lab results. A detailed review determined a combination of factors has led the primary lab to under-report results from Weolyu. High variance was noted in assay results across multiple projects from samples prepared and analysed through the Original Lab over a period from October 2017 to March 2018. This variance is predominantly thought to be attributed to either a. nugget affect, or b. lab induced error (or some combination of both). In order to confirm, an umpire test was proposed, selecting all samples with repeats that had gone through SGS prep lab with more than 1kg of coarse reject material remaining – the re-sample population chosen (n=32) was the largest possible and covered across multiple projects. The umpire lab testing is blind, with the original Lab not aware it was underway, and the umpire lab also not knowing the primary lab. Utilising essentially the same procedures as the prep and assay, the umpire results show a marked reduction in variance (ie increase in precision, 30% less variance, and unexpectedly, also show a marked positive shift in accuracy (13% upgrading average all samples, notably ca. 30% at Weolyu UG, and a number of samples over 100% to 200% upgraded with almost no samples reporting lower bias). These results proved that the initial variance observed is primarily not due to "nugget affect" as original claimed by the Original Lab, and have highlighted additional issues with Original prep and assay lab. A number of recommendations from this review have been put in place with further actions

Criteria	JORC Code explanation	Commentary
		pending. A change of primary analysis Lab had been made in March 2018 and larger sample was prep'ed and shipped for analysis to reduce potential sampling bias in the preparatory facility and pulp splitting was conducted at the new Lab (ALS) An internal SAU memo documents in detail the Umpire Review "20181105 Umpire Lab Test: Final Outcomes"

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>The Weolyu tenement Yeongdong 67, is held by Southern Gold Korea, a fully owned subsidiary of Southern Gold (see Figure 1).</p> <p>There are no native title interests in Korea. It is a generally accepted requirement that mineral title holders gain the consent of local land owners and residents before undertaking any major exploration activity, such as drilling.</p> <p>The Weolyu mineralised structures lie on privately held land. There are no known material issues with third parties. A royalty agreement exists for Weolyu if production commences with the previous tenement holder.</p>
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i>	<p>Upon successful conversion to an Extraction Right, the holder has 3 years to submit and have an Extraction Plan authorised. An application can be made to extend this period by 1 year. The Extraction Plan is submitted to the Local Government and requires approvals from a number of stakeholders. The term of an Extraction Right is 20 years. This can be extended upon application, provided all statutory requirements have been met over the life of the mine. From the date the Extraction Plan is approved, the title holder has a 3 year period in which mine production must commence. During this 3 year period, the title holder must make a minimum level of investment on plant and mine infrastructure in the amount of KRW100 million (~AUD\$120,000) and meet certain minimum annual production levels, which are dependent on the commodity being mined.</p> <p>There are no known impediments to obtaining a license to operate</p>
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The Weolyu Project has historically had mining and adits excavated at the North Weolyu Mine, located 0.5 km to 1 km to the north operated up to mid-1990's. Apart from small scale adits excavated by unknown parties and historical drilling by KORES and Asiatic Gold Ltd at Weolyu South, No other details of previous work in the vicinity is known to the best of our knowledge.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	Exploration is targeting low- to high-sulphidation style epithermal precious metal (Au, Ag) mineralisation in Cretaceous volcanic rocks of the Korean Peninsula.
<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i>	<p>A summary of detailed exploration results and associated grades is shown in Appendix I, Table 9 and 10 of this release and significant results are tabulated in Tables 3 & 6.</p> <p>Figures 4 & 5 are displaying a plan and long sections showing</p>

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	<ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> 	the position of these significant results.
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	No information has been excluded from this release for Yeongdong 67 to the best of our knowledge.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Where reported in the main body of this ASX Release, weighted average sample assay intercepts have been calculated from individual sample interval widths and related assay results. The weighted average intercepts are calculated by multiplying the assay of each channel sample by the length of each sample, adding those products and dividing the product sum by the entire sample length of the mineralised interval. No minimum or maximum cut-off has been applied.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	Individual sample interval downhole widths returning Au assay results >0.1 g/t are included in Table 3, Appendix I of this ASX Release. All assay values reported are raw assays and none of the reported data has been cut or adjusted. In some instances, channel samples have been length weighted to provide an estimate of the vein grade along a strike length.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values have been reported in this ASX Release.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	Mineralisation widths are the same as intercept widths as observed underground.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Mineralisation is at high angle to sampling, this relationship is reported in the main text of this report.
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	Interval widths refer to along channel widths, which were visually located perpendicular to veining, and thus at this stage also approximate true vein widths.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Appropriate maps, sections, and tables have been included in this ASX Release. See Figures 1, 4 & 5.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading</i>	Not all sample assay data has been included in this report as it is not considered material beyond the representatively reported high and low grade results presented in the main body of this ASX Release. Previous information is also referenced in the company's

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	<i>reporting of Exploration Results.</i>	20171220 ASX report
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	To the best of our knowledge, no meaningful and material exploration data has been omitted from this ASX Release.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Southern Gold is reviewing the data to determine the best way to advance the projects and will notify such plans once confirmed.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to Figures 4 & 5 in the main body of this ASX Report that show where sampling has been conducted.