High Grade Gold in Maiden Drilling Program at Aphae

- High to moderate-grade gold-silver intersections received including:
  - 0.21m @ 107.5g/t Au and 166g/t Ag
  - 0.17m @ 15.9g/t Au and 23.7g/t Ag
  - 1m @ 5.07g/t Au and 13.8g/t Ag
  - 0.86m @ 5.49g/t Au and 59g/t Ag
  - 0.18m @ 5.92g/t Au and 99g/t Ag
- Broad near surface gold mineralised breccia intersected including:
  - 8.12m @ 1.26g/t Au and 7.8g/t Ag in APDD001
  - 40.72m @ 0.59g/t Au and 14.1g/t Ag in APDD003
- Follow up drill program and ground magnetic survey being planned to target extensions with large project scale prospectivity becoming apparent.

Southern Gold Limited (ASX: SAU) ("Southern Gold'' or "the "Company'') is pleased to announce the results from the maiden diamond drill program at the Aphae Project in South Korea.

Aphae Drilling

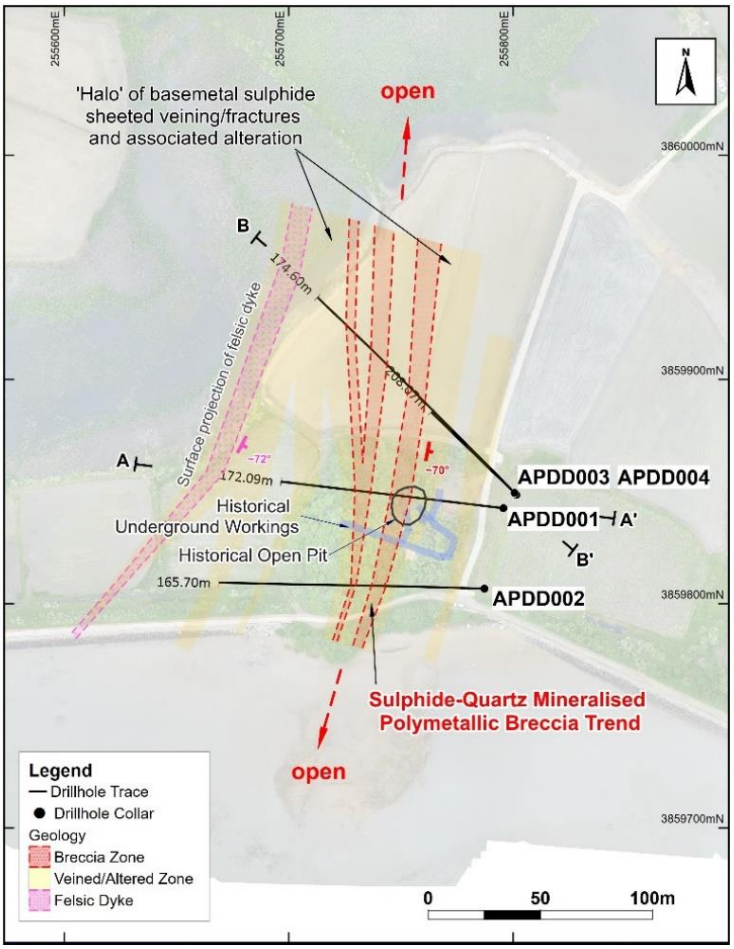


Figure 1 – Plan View of Aphae Pit maiden drill program completed

A total of 720.46m across 4 holes were drilled at Aphae **(Figure 1)**. The initial hole, APDD001, intersected the targeted sulphide-quartz breccia at the expected depth below the historical open pit and underground mine and gold mineralisation has been confirmed.

The gold mineralised breccia was also extended to the north in APDD003, where the width and sulphide content increased. A broad zone (40.72m @ 0.59g/t Au) of sulphide ± silica gold mineralised matrix monolithic clast-supported breccia was intersected in APDD003, and a narrower zone (~10m) of weakly sulphidic milled matrix supported monolithic breccia was intersected in APDD004, along with a high grade sulphidic vein breccia closer to surface.

Assays for holes APDD001, 003 and 004 have been received, with highlights including (**Figure 2**):

- 0.21m @ 107.5g/t Au and 166g/t Ag from 53.01m from a sulphidic vein breccia in APDD004;
- 8.12m @ 1.26g/t Au and 7.8g/t Ag from 51.88m (including 1m @ 5.07g/t Au and 13.8g/t Ag from 55m) in APDD001; and
- 40.72m @ 0.59g/t Au and 14.1g/t Ag from 65.28m (including 0.18m @ 5.92g/t Au and 99g/t Ag from 85.77m) in APDD003.

Details of these intercepts and all other significant intercepts (>0.5g/t Au) are listed in **Table 1** on page 4.

Assays for the breccia intersected in APDD002 are expected shortly. There was some delay in the receipt of drill assays due to international freight logistics because of the impacts of COVID-19.

The host and dominant lithology intersected to date is an equigranular, massive, quartz-feldspar-biotite granite. Minor thin (<10m) rhyolitic to rhyodacitic dykes are evident in the bottom of each hole. There are two main types of mineralisation observed:

- **Breccia:** comprised of an inner zone of high-energy subrounded to subangular clast and matrix (variably sulphide-quartz/quartz-sulphide/rock flour) supported monolithic (granitic) breccia. The breccia and proximal granite are intensely argillic (kaolinite-illite-smectite-dickite) altered. Surrounding the breccia is a zone/halo of sheeted sulphide-quartz veining/fractures with moderate to strong argillic alteration.
- **Polymetallic Sulphide Veining**: thin (<10cm wide) galena-sphalerite-pyrite veining and associated argillic to phyllic alteration is observed in proximity to felsic dyking (APDD001). This mineralisation is likely closely related to the breccia development.

Magnetic susceptibility readings taken on the core have shown that the hydrothermal alteration proximal and distal to the mineralised breccia and veining has destroyed the primary magnetism of the granite and as such the mineralisation is evident as magnetic lows (**Figure 3**). This latter characteristic will be useful for the application of geophysics to map magnetic lows as a proxy for the mineralisation zones.

Southern Gold Managing Director, Mr Simon Mitchell:
"There is a lot going on geologically at Aphae and triple figure gold grades in drill core from a maiden greenfields drill program certainly grabs your attention. With high grade gold and silver, elevated lead, zinc, copper and arsenic, and the fact we appear to have several phases of mineralisation, indicate a fertile system, potentially with more surprises to come. Our technical team see a lot of potential at Aphae and it reinforces the theory that south-western South Korea is an unfolding gold camp of regional scale."

"Now we have a lot of follow up work to do on the ground as the wider Aphae project area has not been systematically traversed or sampled and we believe there could be potential beyond the immediate mine workings. This, combined with the geophysics and petrology planned, should give us several targets within the Aphae project area. One thing is for sure: we will be back at Aphae drilling the second round as soon as we can."

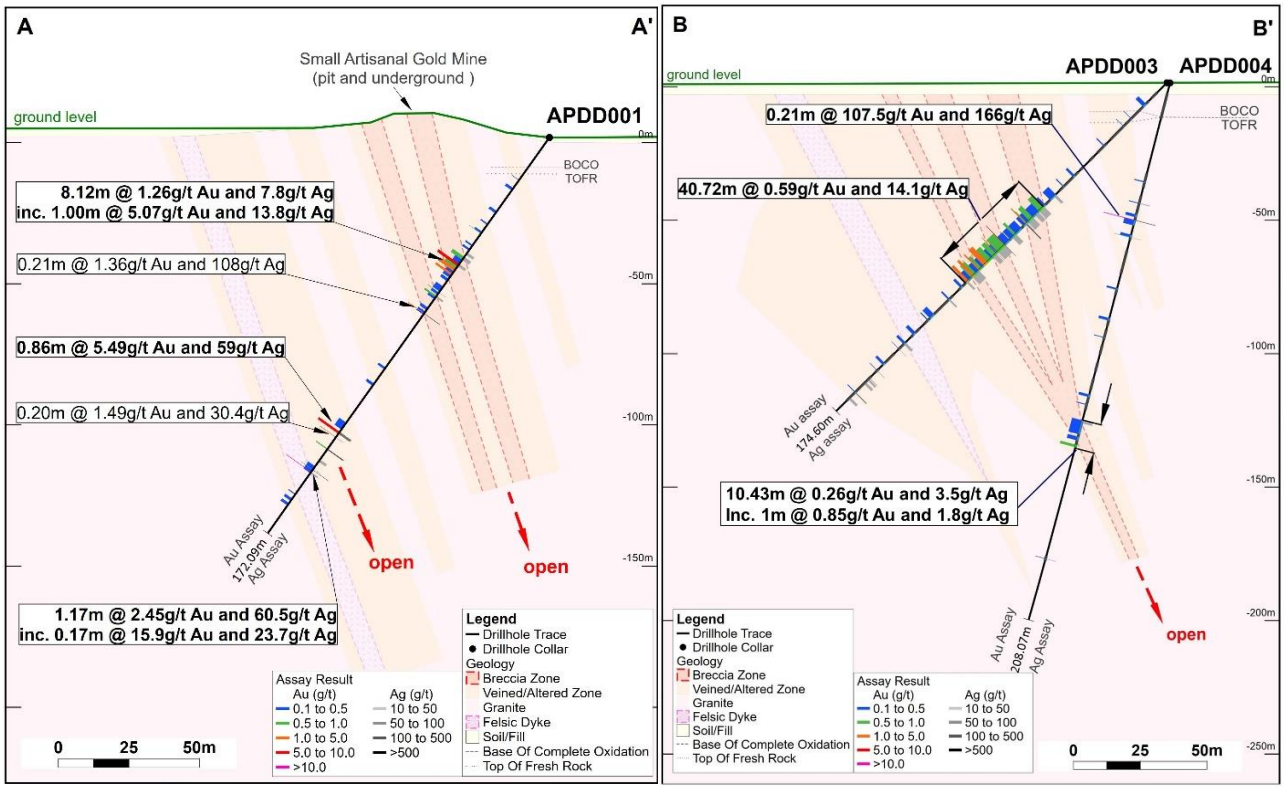


Figure 2 - Aphae Pit APDD001 & 003-4 cross sections showing assays and simplified and interpreted geology

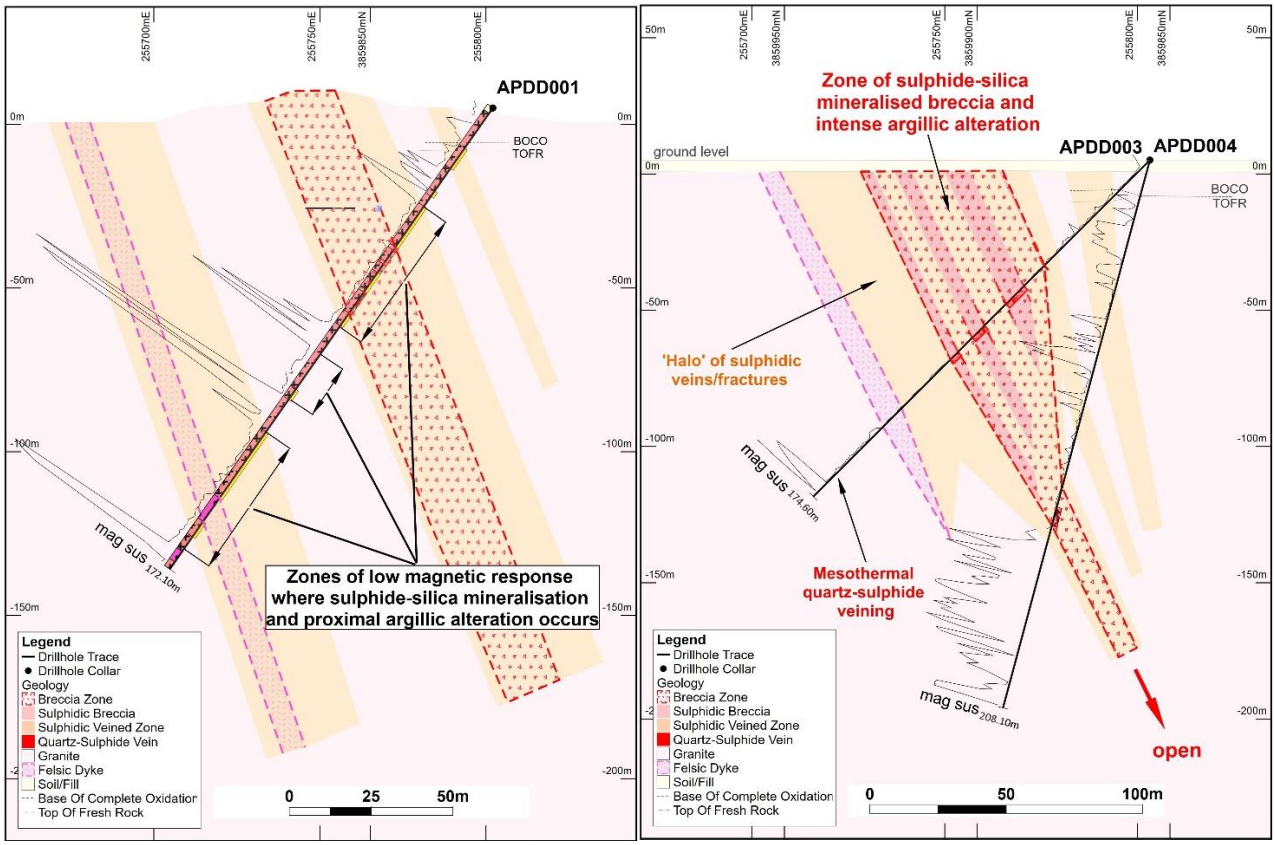


Figure 3 - Aphae Pit APDD001 & 003-4 cross sections showing simplified and interpreted geology with magnetic susceptibility results plotted, which clearly outline the zones of mineralisation and strong alteration as magnetic lows.

Hole ID	From (m)	To (m)	Interval (m)	ETW (m)	Au (g/t)	Ag (g/t)	As ppm	Cu ppm	Sb ppm	Pb %	Zn %
APDD001	41.68	41.83	0.15	0.12	0.58	8.7	337	9	1	0.11	0.15
and	**51.88**	**60.00**	**8.12**	**6.39**	**1.26**	7.8	217	36	2	0.03	0.08
incl.	**55.00**	**56.00**	**1.00**	**0.79**	**5.07**	13.8	242	37	1	0.04	0.11
and	67.33	67.51	0.18	0.14	0.98	44.6	238	22	11	**1.06**	**1.15**
and	68.84	69.54	0.70	0.55	0.94	42.3	163	216	8	0.48	0.92
and	**76.41**	**76.62**	**0.21**	**0.17**	**1.36**	**108**	407	**1210**	29	**2.14**	**2.74**
and	**128.00**	**128.86**	**0.86**	**0.68**	**5.49**	59	**4440**	52	20	0.31	0.62
and	**130.29**	**130.49**	**0.20**	**0.16**	**1.49**	30.4	527	294	4	0.85	2.12
and	135.34	135.74	0.40	0.31	0.78	**290**	**2220**	219	23	**2.30**	**1.62**
and	**144.43**	**145.60**	**1.17**	**0.92**	**2.45**	60.5	229	293	25	**2.75**	0.99
incl.	144.43	144.58	0.15	0.12	0.52	**422**	319	**1790**	177	**32.2**	**5.85**
incl.	**145.43**	**145.60**	**0.17**	**0.13**	**15.90**	23.7	601	340	4	0.46	0.62
APDD003	65.28	106.00	40.72	32.06	0.59	14.1	279	97	6	0.11	0.20
incl.	65.28	74.84	9.56	7.53	0.62	26.6	362	59	9	0.11	0.23
incl.	85.77	106.00	20.23	15.93	0.79	11.0	225	118	5	0.11	0.20
incl.	**85.77**	**85.95**	**0.18**	**0.14**	**5.92**	99	143	406	20	**3.58**	**1.83**
APDD004	**53.01**	**53.22**	**0.21**	**0.18**	**107.5**	**166**	639	19	22	0.04	0.20
and	59.71	59.85	0.14	0.09	0.51	16.2	252	7	6	0.49	0.23
and	140.08	141.08	1.00	0.79	0.85	1.8	33	7	< 2	0.004	0.06

Table 1 – All intersections >0.5g/t Au with internal dilution of <1m at <0.1g/t Au cut off.

Core Recovery of 100% for all samples. ETW = Estimated True Width. In the breccia and altered zone intervals the ETW assumes a dip as depicted in the cross-sections. However, this is based on the records of the underground workings and is unconfirmed.

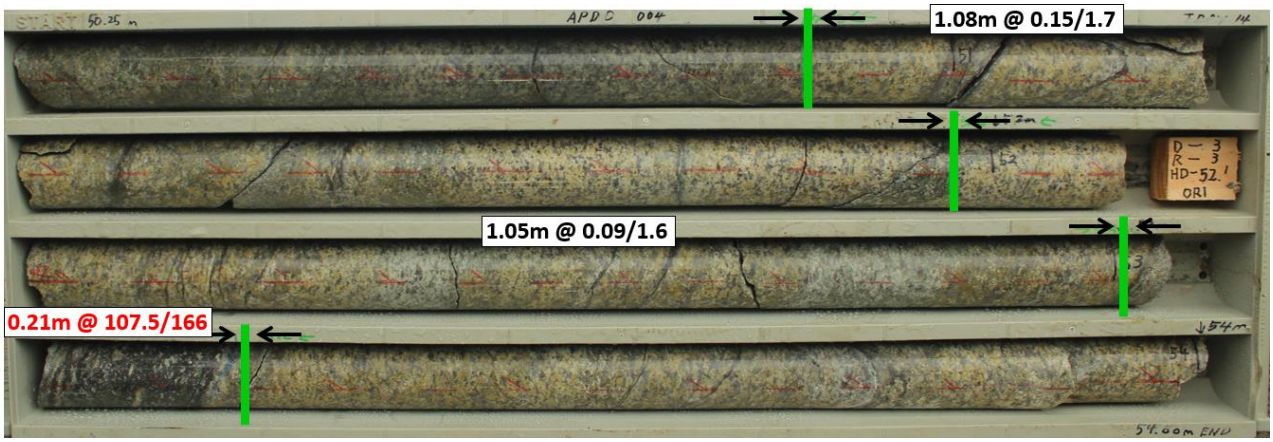


Photo 1 – APDD004 High grade assay results from brecciated and sheeted sulphide vein. 107.5/166 is g/t Au/ g/t Ag

Photo 2 – APDD001 Assay results in polymetallic sulphide veins near felsic dyke contact. 0.52/422 is g/t Au/ g/t Ag

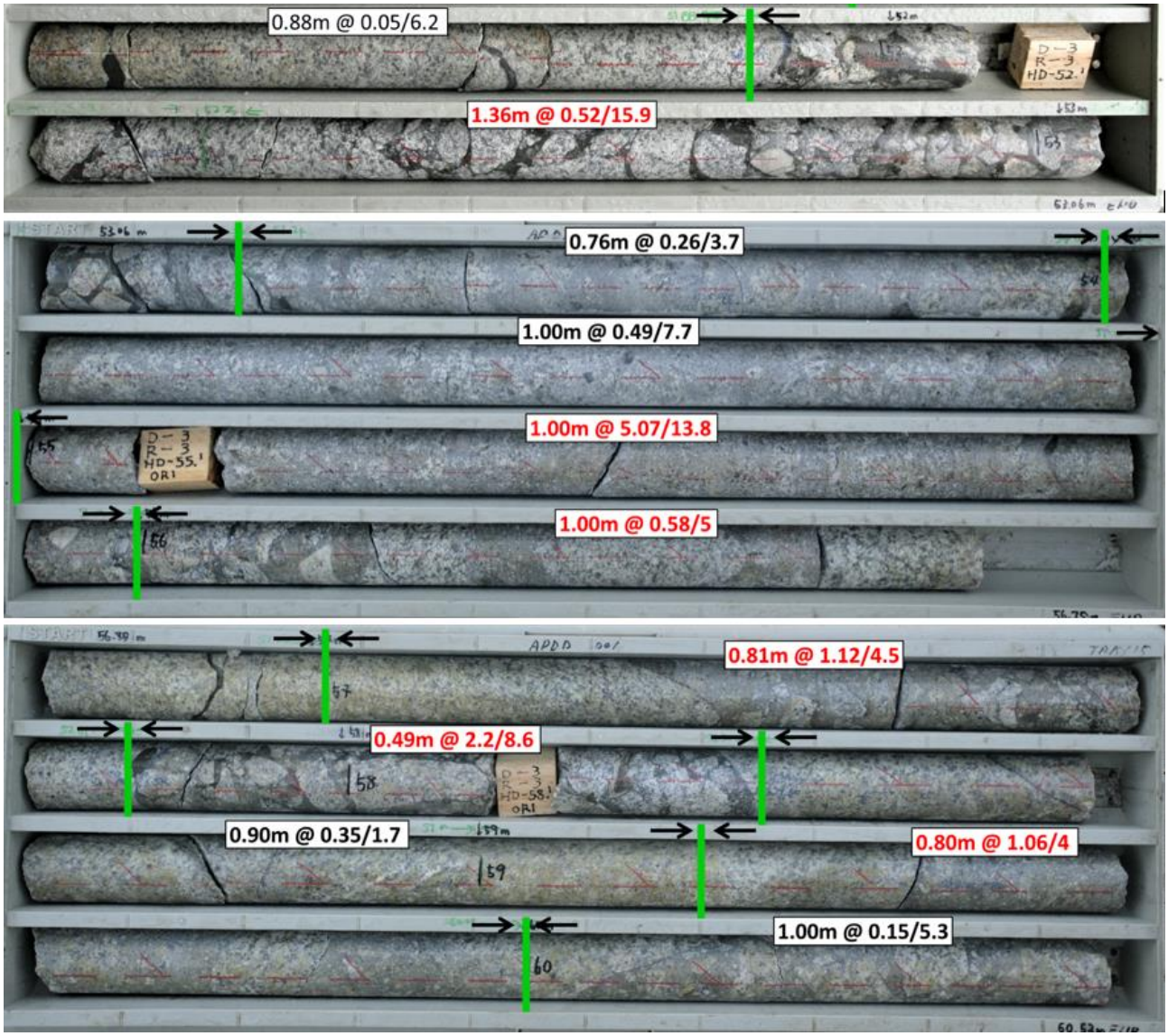


Photo 3 – APDD001 Assay results in the main breccia zone. 5.07/13.8 is g/t Au/ g/t Ag

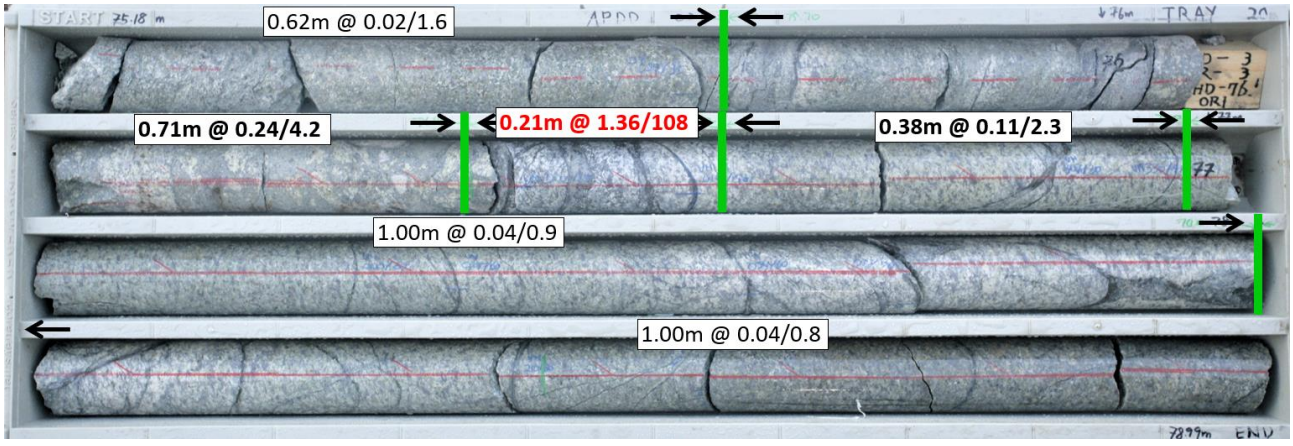
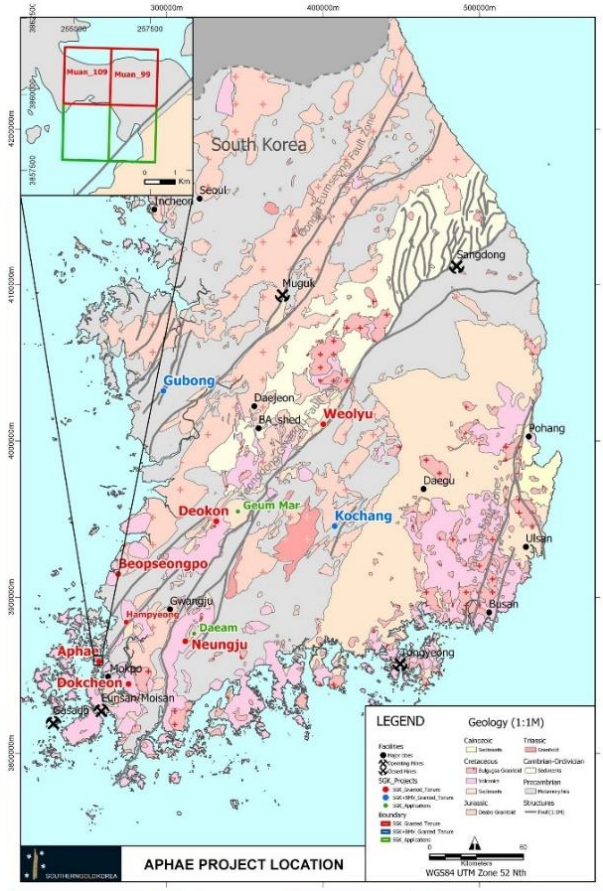


Photo 4 – APDD001 Assay results on the margin of the main breccia zone. 1.36/108 is g/t Au/ g/t Ag

Aphae Project Background and Technical Discussion



The historical Aphae Mine is located on a small, densely vegetated island with a small flooded open pit surrounded by reclaimed farming land. The decommissioned gold mine is 1.45km to the northeast of Koryong open-cut clay mine **(Figure 4 and 5)**.

The project is centered on the defined >30m wide breccia zone with a historically recorded >100m strike length. The multi directional vein breccia is hosted within a pervasively clay altered and oxidised granite. A peak assay result of 6.08 g/t Au and 93 g/t Ag was obtained from a mullock sample in 2017. The maiden diamond drill program was planned to test down-dip and along strike extensions to this historically mined small-scale open pit and underground operation.

Figure 4 – Aphae Project Location

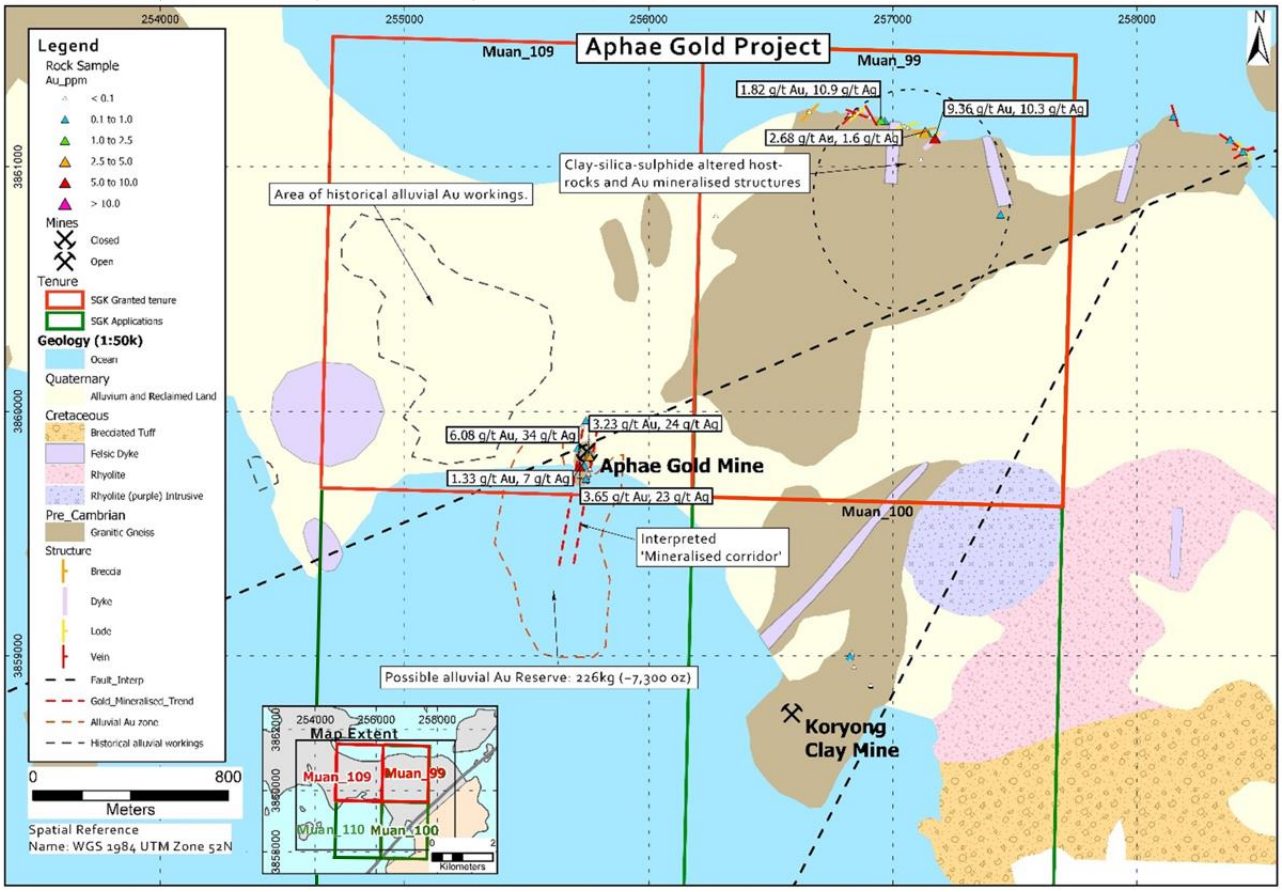


Figure 5 – Aphae Project area including historical alluvial occurrences and clay alteration

The Aphae Project area has some similarities to the Seongsan-Eunsan-Moisan Gold-Silver mining camp (~30km to the south, mined since 2002), in that a large weakly auriferous hydrothermal clay deposit is being exploited immediately to the east of an erosion-resistant upstanding hill, formed at the intersection of north-northeast and east-northeast structures. Further, Aphae Hill was originally an island within an estuary, that has been reclaimed and is now used for rice production. The Aphae mine area consists of the erosion exposed upper flared level of a breccia pipe and root vein system. The presence of intense acid leaching is evident in granitic breccia clasts, coupled with kaolinite-illite-dickite-anhedral pyrite alteration. However, there may be a more neutral fluid event also due to the presence of galena, sphalerite and tennantite-tetrahedrite coupled with some sericitisation.

In addition to the gold and silver intersections from the maiden drilling, many anomalous lead, zinc, arsenic and antinomy (Pb, Zn, As and Sb) assays were received through the breccia interval and surrounds. These are highly encouraging results and indicate a fertile system. Elevated manganese (Mn) assays, which is generally above 1,000ppm, were also present in the same intervals indicating the possible presence of rhodochrosite or carbonate fluid input, which may have assisted original gold deposition.

It is presently unknown exactly what the geometry of the breccia is and if there is a linear form extending to the north-northeast, if there is some other structural control, or if the trend is a splay off a larger breccia pipe. Also, the breccia encountered in APDD001-004 may not be the best target on the project area. There are a lot of geological indicators of a potentially larger system. These include:

- Rock chips from the beach front ~2km to the northeast of the Aphae Gold Mine returning up to 9.36g/t gold in quartz-pyrite±sphalerite flooded tectonic to hydraulic breccia in clay-silica altered granite. This alteration has at least an 800m footprint.
- The presence of the Koryong Clay Mine ~1.5km to the southeast of Aphae Gold Mine which has limonite-goethite fracture fill veinlets and feldspar alignment in host pit-floor clay altered granite (**Photos 5-7** from work completed in 2017).
- Records of historical alluvial workings extending 1km to the northwest of Aphae Gold Mine and records of alluvial gold resources extending almost 1km to the south of Aphae Gold Mine. It is likely that the Aphae Gold Mine is not the sole source of these alluvial records as the footprint of the mine is too small. As the area north, northwest and northeast of the gold mine is largely reclaimed land it is postulated that the mineralised zone extends north into this area, as well as to the south. If there was more silica in the breccia then it may have formed a ridge more resistant to tidal erosion, but there doesn't appear to be at surface.
- The influence of the felsic intrusives and the rhyolite dykes and whether they have played some role in the mineralising event.

Petrology on selected samples of the drill core is being completed to try to answer some of these questions to definitively characterise the deposit model and assist future targeting on the project.

Ground magnetic surveys at the Aphae project are also being planned because of the correlation of the low magnetic susceptibility readings on the core with the breccia mineralisation. This should

assist in delineating the mineralisation trend undercover, along with the structural and lithological architecture and potentially outline further 'blind' drill targets.

Photo 5 - Intensely clay ± pyrite altered & limonite-haematite-goethite oxidised leucogranite cut by later banded rhyolite dyking in the high-sulphidation Koryong clay mine, east Aphae Island.

Photo 6: KRS203002, 0.04g/t Au. Intensely clay (dickite-pyrophyllite-sericite) altered &limonitic vein networked leucogranite, with late-stage fine-grained sulfide flooding. Koryong clay mine, east Aphae Island.

Photo 7: KRS203005, 0.27g/t Au, 107ppm As. Intensely clay (dickite ± pyrophyllite – sericite)-silica altered &limonitic vein networked leucogranite. Koryong clay mine, east Aphae Island.

Next Stage

Regulatory approvals for drilling at depth at the Weolyu South project are well advanced and is the next planned drill site. Some drilling at Dokcheon may be completed in the interim depending on the timing of local access issues. Following this, more drilling will be completed at Aphae along strike to the north and possibly at depth after the rice paddies are harvested in about October.

Authorised for release by Simon Mitchell, Managing Director of Southern Gold Limited.

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Sample No	Sample Type	Au g/t	Ag g/t	As ppm	Mn ppm	Easting	Northing	Elevation
KRS203002	Float	0.04	1	57	25	256833	3859010	9
KRS203005	Outcrop	0.27	1	107	30	256824	3859001	9

Table 2 – Clay altered samples from Koryong Clay Mine

Hole ID	Prospect	Easting	Northing	mASL	Dip	Grid Azi	Length (m)
APDD001	Pit	255795.724	3859842.505	1.701	-55	277	172.09
APDD002	Pit	255787.296	3859806.607	2.605	-45	272	165.70
APDD003	Pit	255800.729	3859849.318	1.474	-45	315	174.60
APDD004	Pit	255801.541	3859848.473	1.427	-75	315	208.07

Table 3 – Drill hole collar details at Aphae

Related ASX Announcements

20180327 – ASX Aphae Gold Project Tenure Grant, South Korea
20181002 – ASX High grade gold confirmed at Shin Adit, Deokon Project, South Korea.
20190129 – ASX High grade gold-silver zones confirmed at Weolyu South Project, South Korea.
20190403 – ASX 2019 South Korea Field Work Commences.
20190527 – ASX Beopseongpo, Major Epithermal Target Defined.
20190717 – ASX Deokon 'Golden Surprise' High Grade Au-Ag Discovery
20190905 – ASX High-Grade Gold results Neungju Project
20191029 – ASX Bonanza Drilling Commences
20191210 – ASX Beopseongpo Drilling – Major Epithermal System Confirmed
20200128 – ASX Deokon Scout Diamond Drilling Results
20200128 – ASX Project Pipeline Extended from Project Generation Initiative
20200316 – ASX Operations Update
20200414 – ASX Two New Gold Mineralised Areas Confirmed: Geum-Mar and Daeam Valley
20200525 – ASX Drilling Operations Update
20200617 – ASX Drilling Operations Update – Mineralised Breccia at Aphae

Southern Gold Limited: Company Profile

Southern Gold Ltd is a successful gold explorer listed on the Australian Securities Exchange (ASX ticker "SAU"). Southern Gold owns 100% of a substantial portfolio of high-grade gold projects in South Korea that are largely greenfield epithermal gold-silver targets in the south-west of the country. 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 in a jurisdiction that has seen very little modern exploration. Southern Gold also holds a 50% equity interest in a Joint Venture company operated by JV partner, London-listed Bluebird Merchant Ventures (BMV), that is looking to start gold production at the Kochang and Gubong projects. This JV interest is currently in a sale process.

Competent Person's Statements

The information in this report that relates to Exploration Results has been compiled under the supervision of Mr. Paul Wittwer (AIG, AusIMM). Mr Wittwer who is an employee of Southern Gold Limited and a Member of the Australian Institute of Geoscientists and 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 Wittwer 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 rates;*
- *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 or ASX release, 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.

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	*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.*	The nature of the samples and assay results in the body of this ASX Release that relate to new surface rock float samples not previously announced are at the Aphae Project within granted tenements Muan 109 and 99 and tenements Muan 100 and 110 under application by Southern Gold. Surface reconnaissance rock chip sampling was undertaken based upon geological features relevant to the target style of mineralisation. Sample sites were chosen selectively to reflect geological features relevant to the target style of mineralisation.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Surface and underground reconnaissance rock chip samples are not considered representative and only used as an exploration tool to plan potential future representative sampling programs. Drill samples were geologically logged for lithology, mineralisation, alteration, veining, structure and also geotechnically logged. Sample intervals were chosen in order to separate different geological domains or features at appropriate boundaries and provide sufficient sample representivity, ranging from 0.1m to 1.4m in length.
	Aspects of the determination of mineralisation that are Material to the Public Report.	Determination of mineralisation was achieved by geological logging of samples by an experienced SAU or consultant geologist or representative, with structural measurements taken where possible. Samples were geologically logged for lithology, mineralisation, alteration, veining, and structure. SAU mapping and rock sampling results have been used to inform the determination of mineralisation at an early stage of exploration.
	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.	Surface and underground reconnaissance rock chip samples are not considered representative and only used as an exploration tool to plan potential future representative sampling programs. HQ3 size (61.1mm diameter) Diamond drill core was obtained for logging and sampling.
Drilling techniques	*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.).*	HQ3 triple tube Diamond drilling was completed to obtain drill core.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Core was measured and the recovery was calculated for each drill run
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Industry standard barrel configuration was utilized at all drill sites. No sample bias is expected where recoveries are good.
	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.	No sample bias is expected where recoveries are good. All samples reported have sufficient recovery unless otherwise stated.

Criteria	JORC Code explanation	Commentary
		Where historical drilling may be reported in past reporting, it is not known if a relationship exists between sample recovery and grade, or if there is any bias present.
Logging	*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.*	No Mineral Resource estimation, mining studies or metallurgical studies have been conducted at this stage but samples have been logged with sufficient detail to use for this function.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Geological logging was qualitative in nature. Structural logging was quantitative in nature. Slab photography of all surface reconnaissance rock samples was completed and core photography of all drill core was completed.
	The total length and percentage of the relevant intersections logged.	No surface sampling reported in this release refers to sample intervals. Sampling conducted is reconnaissance in nature. The entire drill core from all holes was logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Sampling was completed by cutting the core in half 1cm to the right of the orientation line when viewed in the downhole direction and sampling the half without the orientation line. Only zones likely to have a chance of mineralization based on geological observation were sampled.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Samples were taken dry. Rock chip and grab samples had representative slabs cut and all of the remaining offcuts of each sample were sent for assay.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	All 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. Pulp samples are then split using a micro-riffle splitter to produce 500g of pulp reject, 250g of pulp duplicate, and 250g of sample for shipment to SGS Laboratories in Tianjin, China for surface samples and to ALS Perth for drill core. The nature of the laboratory preparation techniques is considered 'industry standard' and appropriate.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	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 coarse split. The 1kg of pulp material is then split using a micro-riffle splitter to produce 500g of pulp reject, 250g of pulp duplicate, and 250g of sample for shipment to SGS Laboratories in Tianjin, China for surface samples and to ALS Perth for drill core. Pulp rejects are retained for each sample. These procedures are considered appropriate to maximise representivity of samples, for first pass exploration.
	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.	Given the nature of the reconnaissance rock sampling, no QAQC samples were considered appropriate for the reporting of early stage Exploration Results. No field core duplicates were taken, just splits in the sample preparation phase. Sampling is considered representative of the in-situ material.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample size is considered appropriate for the target style of mineralisation and the requirements for laboratory sample preparation and analyses, for early stage Exploration Results.
Quality of assay data	*The nature, quality and appropriateness of the assaying and laboratory procedures used and*	Pulps from surface samples (typically 200 to 400g) prepared by SGS in South Korea are sent through registered airfreight

Criteria	JORC Code explanation	Commentary
and laboratory tests	*whether the technique is considered partial or total.*	(e.g. DHL) to SGS Laboratories in Tianjin, China for Au and multielement analysis. SGS is an ISO/IEC 17025:2005 certified laboratory. Gold was analyzed on a 50g charge using fire assay fusion with an atomic absorption spectroscopy finish. Detection limit range is 0.01ppm to 100ppm Au. A 37 multi-element suite was analyzed on a 0.5g pulp sample split using aqua regia digest with an inductively coupled plasma – atomic emission spectroscopy (ICP-AES) finish. Pulps from drill core samples (typically 200 to 400g) prepared by SGS in South Korea are sent through registered airfreight (e.g. DHL) to ALS laboratory in Perth for Au and multielement analysis. ALS is an ISO/IEC 17025:2005 and ISO9001:2015 certified laboratory. Gold was analyzed on a 50g charge using fire assay fusion with an atomic absorption spectroscopy finish (ALS method Au-AA26). Detection limit range is 0.01g/t to 100g/t Au. Samples returning a result above 100g/t Au were re-analysed to ore-grade using a 50g charge using fire assay fusion with a gravimetric finish (ALS method Au-GRA22). Detection limit range is 0.05g/t to 1,000g/t Au. A 37 multi-element suite was analyzed 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). 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 100g/t Ag were re-analysed to ore-grade using Aqua Regia Digestion and ICP_AES (method Ag-OG46) with an upper detection limit of 1,500g/t Ag. Samples returning a result above 1,500g/t Ag were re-analysed to ore-grade using Aqua Regia Digestion and ICP_AES – Extended Range (method Ag-OG46h) with an upper detection limit of 3,000g/t Ag. Samples returning a result above 3,000g/t Ag were re-analysed using Ag by Fire Assay and Gravimetric Finish, 30g nominal weight (method Ag-GRA21) with an upper detection limit of 10,000g/t Ag. Samples returning a result above 10,000g/t Ag were re-analysed using Ag by Fire Assay and Gravimetric Finish, 30g nominal weight (method Ag-CON01), with an upper detection limit of 995,000g/t. Copper, lead and zinc were analysed as part of the multi-element aqua-regia digest ICP-AES (method ME-ICP41), with an upper detection limit of 1%. Samples returning a result above 1% were re-analysed to ore-grade using Aqua Regia Digestion and ICP_AES (methods Cu-OG46, Pb-OG46, Zn-OG46), with an upper detection limit of 50% (Cu), 20% (Pb) and 30% (Pb). Samples returning a result above 20% Pb were re-analysed to ore-grade using Aqua Regia Digestion and ICP_AES – Extended Range (method Pb-OG46h), with an upper detection limit of 40%. The nature of the laboratory assay sampling techniques is considered 'industry standard' and appropriate. For any historical KORES, where mentioned, drill core and underground channel samples, the nature, quality and appropriateness of the sample assaying procedures are unknown.
	For geophysical tools, spectrometers, handheld	Magnetic susceptibility measurements were completed on all drill core using a TERRA KT-10R V2 hand-held magnetic

Criteria	JORC Code explanation	Commentary
	XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	susceptibility meter. Scanning mode and full core mode were used.
	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.	For reconnaissance rock samples, lab duplicates analysis and standard analysis (laboratory checks) are investigated to check for potential errors. If a potential error is discovered, it is investigated, and the samples are potentially re-run with another laboratory. Drilling QAQC samples involved 1 blank and 1 certified ore-grade epithermal reference standard, as well as one pulp duplicate and one coarse split duplicate submitted per every 20 samples (i.e. 16 samples and 4 QAQC samples) selectively inserted in the sequence. These were reviewed to ensure testing was accurate. In addition, lab duplicates and lab standard analysis (laboratory checks) are investigated to check for potential errors. If a potential error is discovered, it is investigated and the samples are potentially re-run with another laboratory.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Assay data has been verified by the geologist in charge of the program and a second Southern Gold employee. Significant intersections/results in this ASX Release have been verified by the Competent Person. Where referenced, any historical KORES data cannot be independently verified.
	The use of twinned holes.	No twinned holes have been completed as part of this ASX Release, as the program is at an early stage.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary SAU data is recorded 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 an external consultant with proprietary software. The extracted database is backed up as part of the Company server backup protocol. Historical data exists as digital copy format of original Korean logs and transcripts but cannot be validated. It has been transcribed into SAU databases where applicable, and appropriately tagged as such.
	Discuss any adjustment to assay data.	No adjustments are made to the assay data.
Location of data points	*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.*	SAU surface reconnaissance rock sample XYZ locations are determined with a handheld Garmin 64s GPS producing levels of accuracy +/- 3m. Drill collar XYZ locations are surveyed before hole closure with a DGPS producing levels of accuracy +/- 10mm.
	Specification of the grid system used.	The grid system used is Universal Transverse Mercator (WGS84), Zone 52 S (Northern Hemisphere).
	Quality and adequacy of topographic control.	South Korean Government 5m contour data is available and deemed suitable for topographic control on early stage exploration campaigns.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	SAU surface rock chip and grab sampling intervals were based on geological boundary and veining where possible. On occasion multiple intervals within a single vein have also been taken to identify internal variability. Holes were designed nominally at 50m spacing along strike and 50-100m down dip on section
	Whether the data spacing and distribution is	No Mineral Resource or Ore Reserve have been estimated in

Criteria	JORC Code explanation	Commentary
	sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	this ASX Release.
	Whether sample compositing has been applied.	No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Rock chip and grab sampling has been conducted in a selective manner targeting mineralised structures. Given the early stage of exploration, chip and representative grab samples across veins are considered appropriate and unbiased at this stage of the project. Drill holes are generally designed to be as perpendicular as possible across targets. In cases where this was not possible, true widths have been stated.
	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.	The relationship between sampling orientation and the orientation of key mineralised structures in rock sampling is not considered to have introduced any material sample bias, as discussed above. No sample bias is expected in the drilling.
Sample security	*The measures taken to ensure sample security.*	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: Post on-site logging and processing, samples 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 ties and delivered by a Company representative to the sample preparation laboratory. The preparation laboratory sends pulp samples directly to the assay laboratory for analysis via registered courier (DHL). The samples are received at the laboratory by a Laboratory representative. All rejects are returned under courier service and stored in the Company's secure lock-up long-term core storage facility.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No external or independent reviews have been undertaken. Southern Gold's sampling procedure conforms to industry standard practice and each assay program is reviewed internally for any discrepancies.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*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.*	The granted tenements Muan 99 and 109 at the Aphae Project are held by Southern Gold Korea, a fully owned subsidiary of Southern Gold. No known material issues exists with third parties at this time. There are no native title interests in Korea. It is a generally accepted requirement that mineral title holders gain the consent of local landowners and residents before undertaking any major exploration activity, such as drilling.
	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.	Upon successful conversion to an Exploration Right, the holder has 3 years to submit Exploration Results 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

Criteria	JORC Code explanation	Commentary
		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. There are no known impediments to obtaining a license to operate.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	At the Aphae Project, two historical drill holes were drilled by KIGAM during 1980, but their locations cannot be confidently identified. One of the holes was recorded to intersect 7 g/t Au and 104 g/t Ag over a 0.5m interval. This intersect is inferred to be vertically below the historical workings. area to be initially mined during the early 1930's through to 1945 by the Japanese occupation period. 110kg of gold was reportedly produced from Aphae (KIGAM resources of Korea). Additionally, surrounding alluvial resources have also been exploited but production figures are unknown. Investigations by KORES (KORES Reports, 1970 & 1980) states that the hydrothermal breccia and vein hosted gold-silver mineralisation was found to outcrop for over 100m striking 010NE dipping at 80 degrees to the SE. It is reported that the width is around 30m and peak assays obtained are 8.9g/t Au and 155 g/t Ag from the base of the now flooded pit. Surrounding the Aphae mine is a global alluvial gold resource of 8,025 troy ounce of gold over 126,400 sq meters averaging 0.14gm/cubic meter. The Aphae gold mine is unlikely to be the sole source of this alluvial gold field. Historical records in general are not extensive and considered unreliable. In the 1990's, Ivanhoe Mines conducted brief field reconnaissance in each area. No other details of previous work in the vicinity is known to the best of our knowledge.
Geology	*Deposit type, geological setting and style of mineralisation.*	Exploration is targeting low- to high-sulphidation style epithermal precious metal (Au, Ag) mineralisation in Cretaceous volcanic rocks of the Korean Peninsula.
Drill hole Information	*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:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	A summary of significant results above 0.5g/t Au are presented in Table 1.
	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	No information has been excluded from this release to the best of Southern Gold's knowledge.

Criteria	JORC Code explanation	Commentary
	Person should clearly explain why this is the case.	
Data aggregation methods	*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.*	No weighting averaging techniques, maximum and/or minimum grade truncations, or cut-off grades were used within this release for rock sampling. The results reported are reconnaissance rock samples and the above techniques do not apply to these early stage exploration samples. The cut-off grade for reporting of drill results was 0.5g/t Au
	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.	All rock sample assay values reported are raw assays and none of the reported data has been cut or adjusted. All aggregate drill intercepts are length weighted and the maximum internal dilution was <1m at <0.1g/t Au
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values have been reported in this ASX Release.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	No mineralisation widths or intercepts are reported for the surface sampling as it is early stage reconnaissance exploration grab sampling. Estimated true widths have been reported for the drilling.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	With regard to surface sampling it is not necessarily known what the relationship between mineralisation widths is as no drilling was undertaken. For the drilling, the cross section figures show the vein geometry which is the basis for the true width calculations.
	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').	No downhole widths for surface sampling have been reported in this release as the sampling reported is early stage reconnaissance exploration grab sampling. Estimated True widths have been reported for the drilling in Table 1.
Diagrams	*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.*	Appropriate maps, sections, and tables for new results have been included in this ASX Release.
Balanced reporting	*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 reporting of Exploration Results.*	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. Gold results reported range from <0.01g/t to 107.5g/t Au. Previous information is also referenced in the company's ASX reports with details provided in this report.
Other substantive exploration data	*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.*	To the best of our knowledge, no meaningful and material exploration data has been omitted from this ASX Release.

Criteria	JORC Code explanation	Commentary
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further drilling and surface sampling is being planned at Aphae.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to the Figures and tables in the main body of this ASX Report that show where drilling and sampling has been conducted.