

Gubong and Kochang JV – Sale Process Update

Southern Gold Ltd (“Southern Gold” or “the Company”) is an incorporated joint venture with London Stock Exchange (LSE) listed Bluebird Merchant Ventures PLC (“BMV”) at the Gubong and Kochang (Geochang) projects in the Republic of Korea. Each party holds an equity interest of 50% in each joint venture (JVs) via jointly owned companies in Singapore which in turn hold the South Korean operating companies.

As per the ASX Release on Monday 3 August 2020, Southern Gold is deemed to have offered for sale both of its joint venture interests to BMV.

BMV has elected to acquire Southern Gold’s JV interests in both projects.

BMV also proposed a price to Southern Gold for its JV interests which was not accepted by the Southern Gold board.

Without a price being agreed, there is now a clear process under the JV agreements for the appointment of an Expert to make a determination of price for the two JV interests. Both parties, Southern Gold and BMV, are legally bound to accept the price determination of the Expert.

The Expert has 30 days, from the date of their appointment, to make the determination. The sale and purchase of the Southern Gold JV interests must then be completed within 60 days of the determination.

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

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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 in South Korea. This JV interest is currently in a sale process with BMV.