

\$2 Million Private Placement

Southern Gold Limited (ASX: SAU) (**Southern Gold** or the **Company**) is pleased to announce that it has received commitments totalling \$2 million, for new fully paid ordinary shares (**Shares**) in the Company at 2.3 cents per share (the **Placement**).

The Placement was heavily supported, with applications being scaled back to the targeted \$2 million. The funds raised will be applied to:

- on the ground exploration activities in the Republic of Korea (South Korea), including drilling which is expected to commence in the first quarter of calendar year 2023; and
- early exploratory work in relation to Rare Earth Elements and Lithium in South Korea.

The Placement was managed by Prenzler Group, with participation by Southern Gold's two largest shareholders: Metal Tiger Plc and Illwella Pty Ltd. Southern Gold is also pleased to welcome a number of new sophisticated and institutional shareholders to the Company's register.

Details of the Placement

The key terms of the Placement were as follows:

- The Placement comprises 86,956,523 Shares at \$0.023 per Share, to raise approximately \$2 million.
- Tranche 1 of the Placement, comprising 53,332,120 Shares, to be completed utilising existing share issuance capacity available under ASX Listing Rules 7.1 and 7.1A. The Tranche 1 Shares are expected to be issued on Thursday 17 November 2022, with quotation to occur on Friday 18 November 2022.
- Tranche 2 of the Placement, comprising 33,624,403 Shares, is subject to shareholder approval at a General Meeting expected to be convened early January 2023. The Company expects to announce the date of the General Meeting, and lodge the notice of meeting, in the final week of November 2022.
- The Placement price of \$0.023 represents a discount of:
 - o 17.9% to the last traded price of \$0.0280 on 11 November 2022; and
 - o 19.9% to the 15-day volume weighted average price of \$0.0287.

The Placement was available to investors in Australia who qualified as professional or sophisticated investors under the requirements of the Chapter 6D of the Corporations Act 2001 (Cth) and sophisticated and professional investors in other select jurisdictions. The Placement Shares will rank pari passu in all respects with existing ordinary shares of the Company.

Authorised for release by the Chair of Southern Gold Limited.

Further Information

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Southern Gold Limited: Company Profile

Southern Gold Ltd is a successful gold explorer listed on the Australian Securities Exchange (under ASX ticker "SAU"). Southern Gold owns 100% of a substantial portfolio of high-grade copper-gold-silver projects in South Korea that are largely greenfield epithermal gold-silver targets in the south of the country. Backed by a first-class technical team, Southern Gold's aim is to find world-class epithermal gold-silver deposits in a jurisdiction that has seen very little modern exploration.

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 or ASX release, except as maybe required under applicable laws. Recipients should make their own enquiries in relation to any investment decisions from a licensed investment advisor.
