

Directors:

Chairman
David Lenigas

Directors
Trevor Tennant
Keith Coughlan

Company Secretary:
Jessamyn Lyons

Issued Capital:
85,136,137

Corporate Information:
ASX Code: SUH



ASX Announcement

27 April 2018

Quarterly Activities Report to 31 March 2018

HIGHLIGHT

- **JV with Canadian Copper Major on Chile Copper/Gold**

Copper/Gold Project in Chile

The Company announced on the 8 February 2018 that it has signed (through its wholly owned subsidiary, Minera Llahuin SCM (“Llahuin”)) an option agreement (“**Option Agreement**”) with **Hudbay Minerals Inc. (“Hudbay”) (TSX, NYSE: HBM)** through its wholly owned subsidiary, HudBay Chile SpA (“**Hudbay Chile**”), to acquire up to 70% of the Llahuin Project.

Key points included:

- Deal signed with TSX and NYSE listed Hudbay on Southern Hemisphere’s Llahuin Porphyry Copper/Gold Project in Chile;
- SUH to receive up to US\$5.8 million in cash payments over 5 years;
- Hudbay can earn a 70% interest in Llahuin; and
- Hudbay to spend a minimum of US\$3.5 million over the first 3 years on exploration.

Copper/Gold Project in Chile, and material terms of Option Agreement:

The Option Agreement provides a path for Hudbay Chile to earn a 70% interest in the Llahuin Project by making a series of cash payments to SUH (via SUH’s 100% owned Llahuin) totalling US\$5.8 million over 5 years (of which US\$50,000 was paid by Hudbay Chile to Llahuin on execution of the Option Agreement), and committing to spend a minimum of US\$3.5 million on exploration work over the first 3 years.

The material terms of the Option Agreement are as follows:

- The option term commenced on the execution date of the Option Agreement (7 February 2017), and shall continue for the period of 6 years.
- So long as the option is continuing, Hudbay Chile shall pay the following amounts to Llahuin on or before the following dates:
 - US\$250,000 on or before 7 February 2019;
 - US\$500,000 on or before 7 February 2020;
 - US\$1,000,000 on or before 7 February 2021;
 - US\$1,500,000 on or before 7 February 2022; and
 - US\$2,500,000 on or before 7 February 2023.

Llahuin Porphyry Copper/Gold Project:

The Llahuin Project is a highly prospective copper/gold project that is located close to the city of Illapel, in the Coquimbo Region, only 250kms north of Santiago, the capital city of Chile. The Llahuin Project is situated on the coastal cordillera at a moderate elevation of 1,300m.

The Llahuin Project is an advanced project with 55,700 meters of drilling in 188 RC holes and 59 DDH holes. A mineral resource estimate has previously been announced by the Company (see Table 1).

Table 1

Llahuin Project: Total Measured and Indicated Resources

Resource (at 0.28% Cu Equiv cutoff)	Tonnes Millions	Cu %	Au g/t	Mo %	Cu Equiv*
<i>Measured</i>	112	0.31	0.12	0.008	0.42
<i>Indicated</i>	37	0.23	0.14	0.007	0.37
<i>Measured plus Indicated</i>	149	0.29	0.12	0.008	0.41
<i>Inferred</i>	20	0.20	0.19	0.005	0.36

***Copper Equivalent ("Cu Equiv")**

The copper equivalent calculations represent the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. It is the Company's opinion that elements considered have a reasonable potential to be recovered as evidenced in similar multi-commodity natured mines.

Copper equivalent conversion factors and long-term price assumptions used are stated below:

Copper Equivalent Formula= Cu % + Au (g/t) x 0.72662 + Mo % x 4.412

Price Assumptions- Cu (\$3.40/lb), Au (\$1,700/oz), Mo (\$15/lb)

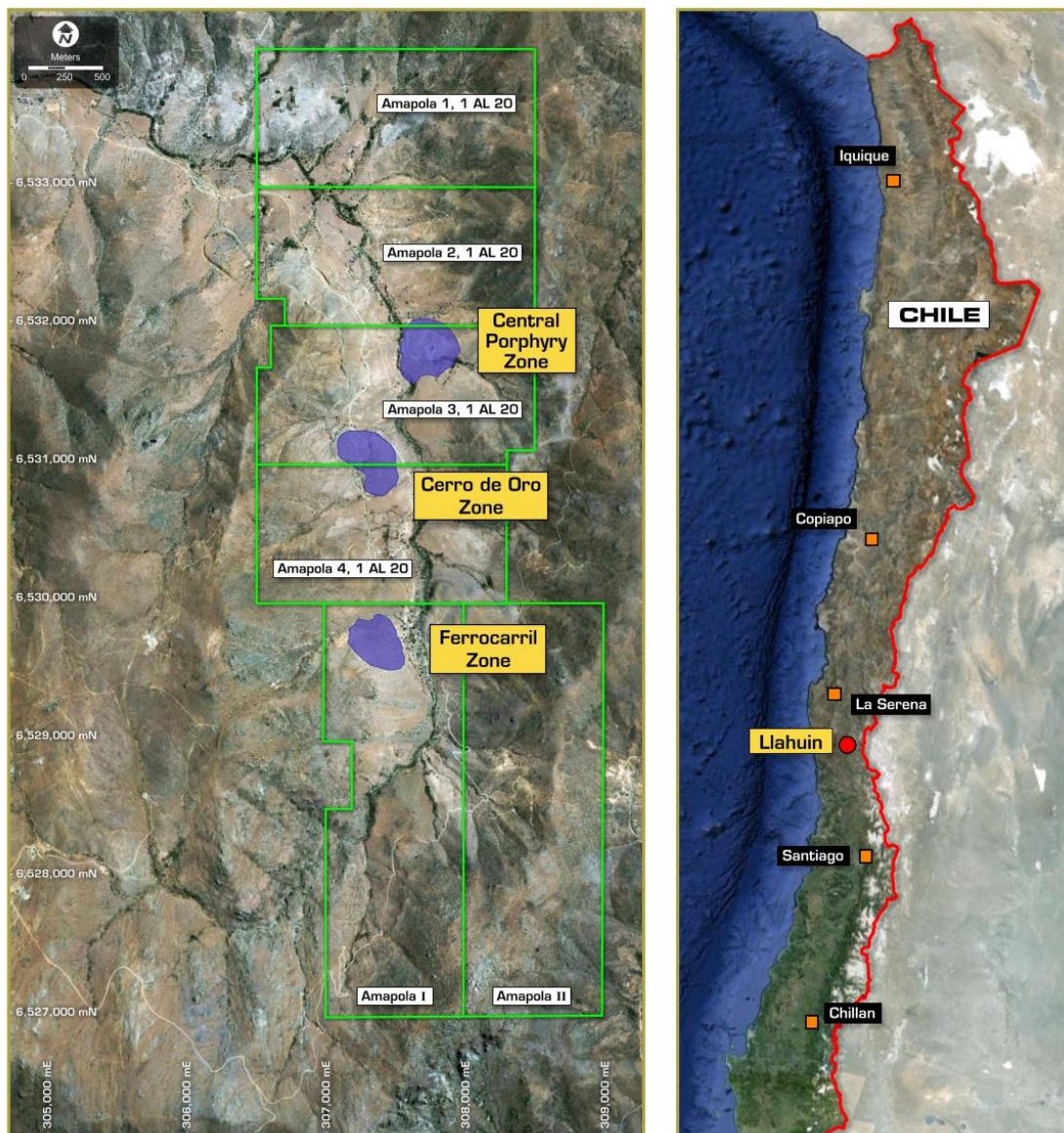
The information relating to estimates of Mineral Resources has been extracted from the following News Release Technical Report:

News release date	News release title	Description
18/8/2013*	Llahuin Copper-Gold Project – Technical Report for JORC Resource Upgrade	Resource estimate for Llahuin deposit with relevant JORC Code (2004) Table 1.

** This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the most recent market announcement for the Llahuin Project, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original News release.

Figure 1: Location of the Llahuin Porphyry Copper/Gold Project in Chile.



GENERAL

- The Company continues to work on identifying new and exciting exploration or production opportunities in Australia and elsewhere, whilst also seeking to realise short-term value for shareholders via existing assets.

BACKGROUND INFORMATION ON SOUTHERN HEMISPHERE MINING:

Southern Hemisphere Mining Limited (ASX Code "SUH") is an experienced copper-gold explorer and developer. The Company has until recently been primarily focused in Chile, the world's leading copper producing country and one of the most prospective regions of the world for major new copper discoveries. In Chile, the primary areas of focus are on the Llahuin Porphyry Copper-Gold Project where the Company has drilled up a significant Copper Gold resource, and the Los Pumas Manganese Project. The Company is now beginning exploration on its new focus in the highly gold prospective areas of the southern Pilbara Basin in Western Australia.

CONTACTS:

For further information on this update or the Company generally, please visit our website at www.shmining.com.au or contact:

Investors / Shareholders

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Company Secretary
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COMPETENT PERSON / QUALIFIED PERSON STATEMENT:

The information in this report that relates to copper and gold Exploration Results for the Company's Projects is based on information compiled by Mr Trevor Tennant, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Tennant has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Tennant is a Director of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. For further information, please refer to the Technical Reports and News Releases on the Company's website at www.shmining.com.au.

FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE:

This announcement may contain forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by many variables which could cause actual results or trends to differ materially.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

This announcement may contain forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations, estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of the Company's control. Actual results and developments may differ materially from those expressed or implied. To the maximum extent permitted by applicable laws, the Company makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for (1) the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this announcement and (2) without prejudice to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this announcement.

Southern Hemisphere Mining Limited Group Tenement Schedule							
<i>Pilbara, Western Australia Tenements</i>							
Tenement ID	Status	Applic. Date	Granted Date	Area	Area Units	Ownership	Registered Holders
E47/3807	Application	14.9.17	-	45	Blocks	100%	SUH
E47/3808	Application	14.9.17	-	184	Blocks	100%	SUH
E52/3579	Application	29.9.17	-	82	Blocks	100%	SUH
E52/3580	Application	29.9.17	-	167	Blocks	100%	SUH
<i>Los Pumas, Chile</i>							
Tenement ID	Status	Location	Area	Area Units	Ownership	Registered Holders	
AWAHOU 1 AL 20	Granted	General Lagos	200	Hectares	100%	MHS	
EMANUEL 1 AL 20	Granted	General Lagos	200	Hectares	100%	MHS	
LLUTA I 1 AL 60 RED 1/54	Granted	Putre	249	Hectares	100%	MHS	
LLUTA II 1 AL 300 RED 1/285	Granted	Putre	285	Hectares	100%	MHS	
PUTRE 6, 1 AL 20 RED 1/11	Granted	Putre	65	Hectares	100%	MHS	
PUTRE I 1 AL 20	Granted	Putre	86	Hectares	100%	MHS	
PUTRE II 1 AL 20	Granted	Putre	124	Hectares	100%	MHS	
<i>Llahuin Project</i>							
Tenement ID	Status	Location	Area	Area Units	Ownership	Registered Holders	
COLINA 2 1 AL 30	Granted	Llahuin	259	Hectares	100%	Llahuin	
AMAPOLA 1 1 AL 20	Granted	Llahuin	200	Hectares	100%	Llahuin	
AMAPOLA 2 1 AL 20	Granted	Llahuin	196	Hectares	100%	Llahuin	
AMAPOLA 3 1 AL 20	Granted	Llahuin	195	Hectares	100%	Llahuin	
AMAPOLA 4 1 AL 20 RED 1/18	Granted	Llahuin	180	Hectares	100%	Llahuin	
AMAPOLA I 1 AL 228	Granted	Llahuin	228	Hectares	100%	Llahuin	
AMAPOLA II 1 AL 256	Granted	Llahuin	256	Hectares	100%	Llahuin	
<i>Rincon Project</i>							
Tenement ID	Status	Location	Area	Area Units	Ownership	Registered Holders	
RINCON 1 1 AL 30	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 2 1 AL 30	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 3 1 AL 30	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 5 1 AL 30	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 6 1 AL 30	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 7 1 AL 30	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 9 1 AL 20	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 10 1 AL 20	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 4 1 AL 300	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 11 1 AL 300	Granted	Salamanca	300	Hectares	100%	MHS	
RINCON 12 1 AL 300	Granted	Salamanca	300	Hectares	100%	MHS	

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

SOUTHERN HEMISPHERE MINING LIMITED (ASX: SUH)

ABN

17 140 494 784

Quarter ended (Current quarter)

31 March 2018

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 Months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	65	65
1.2 Payments for:	-	-
(a) exploration and evaluation	(69)	(278)
(b) development	-	-
(c) production	-	-
(d) staff costs	(10)	(51)
(e) administration and corporate costs	(76)	(227)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(90)	(490)
2. Cash flows from investing activities		
2.1 Payments to acquire:	-	-
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from disposal of:	-	-
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 Months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	290	702
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(90)	(490)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	9	(13)
4.6 Cash and cash equivalents at end of quarter	209	290
5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	209	290
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	209	290
6. Payments to directors of the entity and their associates		Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2		10
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3		-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	Amounts paid to directors and their associates as director remuneration.	
7. Payments to related entities of the entity and their associates		Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2		-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3		-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	Nil.	

8. Financing facilities available Add notes as necessary for an understanding of the position	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Nil

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation ⁽¹⁾	25
9.2 Development	-
9.3 Production	-
9.4 Staff costs	24
9.5 Administration and corporate costs	60
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	109

⁽¹⁾ This includes amounts incurred and accrued in respect to exploration activities as at 31 March 2018, paid in April 2018.

	Tenement reference and location	Nature of interest	Interest at beginning of quarter %	Interest at end of quarter %
10. Changes in tenements (items 2.1(b) and 2.2(b) above)				
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.



Signed: _____ Dated: Friday, 27 April 2018

Company Secretary

Print name: Jessamyn Lyons

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.