

**Southern Hemisphere
Mining Limited**

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Directors:

Chairman
Mark Stowell

Directors
David Lenigas
Trevor Tennant
Keith Coughlan

Company Secretary:
Jessamyn Lyons

Issued Capital:
94,469,471

Corporate Information:
ASX Code: SUH



Quarterly Activities Report to 31 December 2019

Southern Hemisphere Mining Limited (“Southern Hemisphere”, “SUH” or “the Company”) (ASX: SUH) reports activities for the quarter ending 31 December 2019.

CHILEAN PROJECTS:

Rincon Copper-Gold Project

A site visit to the property confirmed the existence of a tourmaline cemented breccia zone which contains chalcopryrite and bornite. The El Rincon site is relatively flat to the west but gets very steep to the west at a height of 3800-4000m, with the breccia zone exposed in three main areas, two of which were previously drilled by Codelco. The breccia zone strikes NNE and is variably exposed over 1.5km in length and up to 400m wide in 3 main exposures at the site. The breccia is tourmaline cemented with very coarse grained (<1m) clasts of potassic altered diorite and is also variably silicified with only minor amounts of bornite and chalcopryrite. Copper minerals are very fine grained and no secondary copper was noted presumably due to the silicification preserving the breccia and the primary copper minerals and the site is extremely dry with no rainfall. See photos below which show the breccia zone at site Propylitic altered diorite and andesites were noted in the scree but not in outcrop due to access and some potassic altered diorite with box-work sulfides was also noted.

The breccia has previously been diamond drilled by Codelco in 2013 and the company is trying to obtain some information about the results of this drilling. The exploration target defined by the breccia is considered to be a 200 to 400Mt target broadly defined by the strike and width of the breccia zone at surface. Note the potential quantity is conceptual in nature and there has been insufficient exploration to estimate a mineral resource and it is uncertain if further exploration will result in the estimation of a mineral resource. Future work will include obtaining the Codelco drilling data/report to see what potential size of the zone is at depth.

Surface channel sampling program to demonstrate widths at surface if the drilling data suggests a suitably sized target – would require a dozer to clear access to the outcrops to allow sampling along strike.

Two additional zones are evident which trend onto the El Rincon property shown in the figure below which are worthy of follow up sampling to determine the mineralization potential on the El Rincon licences.



Figure 1: Tourmaline cemented breccia site 2



Figure 2: Tourmaline cemented breccia outcrop site 3

Grab Samples El Rincon

Grab samples collected that will be assayed for Cu, Mo, Au and Ag at AAA (Andes Analytical Assay) laboratory in Santiago. Samples marked TS have a small sample taken for thin section description work.

Sample ID	Project	East	North	T/Section
001	El Rincon site 1	350620	6503850	Y
002	El Rincon site 1	350620	6503850	
003	El Rincon site 2	350800	6504500	Y
004	El Rincon site 2	350800	6504500	Y
005	El Rincon site 3	350570	6503140	
006	El Rincon site 3	350570	6503140	Y
007	El Rincon site 2	350800	6504500	Y
008	El Rincon site 2	350800	6504500	Y

Table 1: Grab Samples from El Rincon

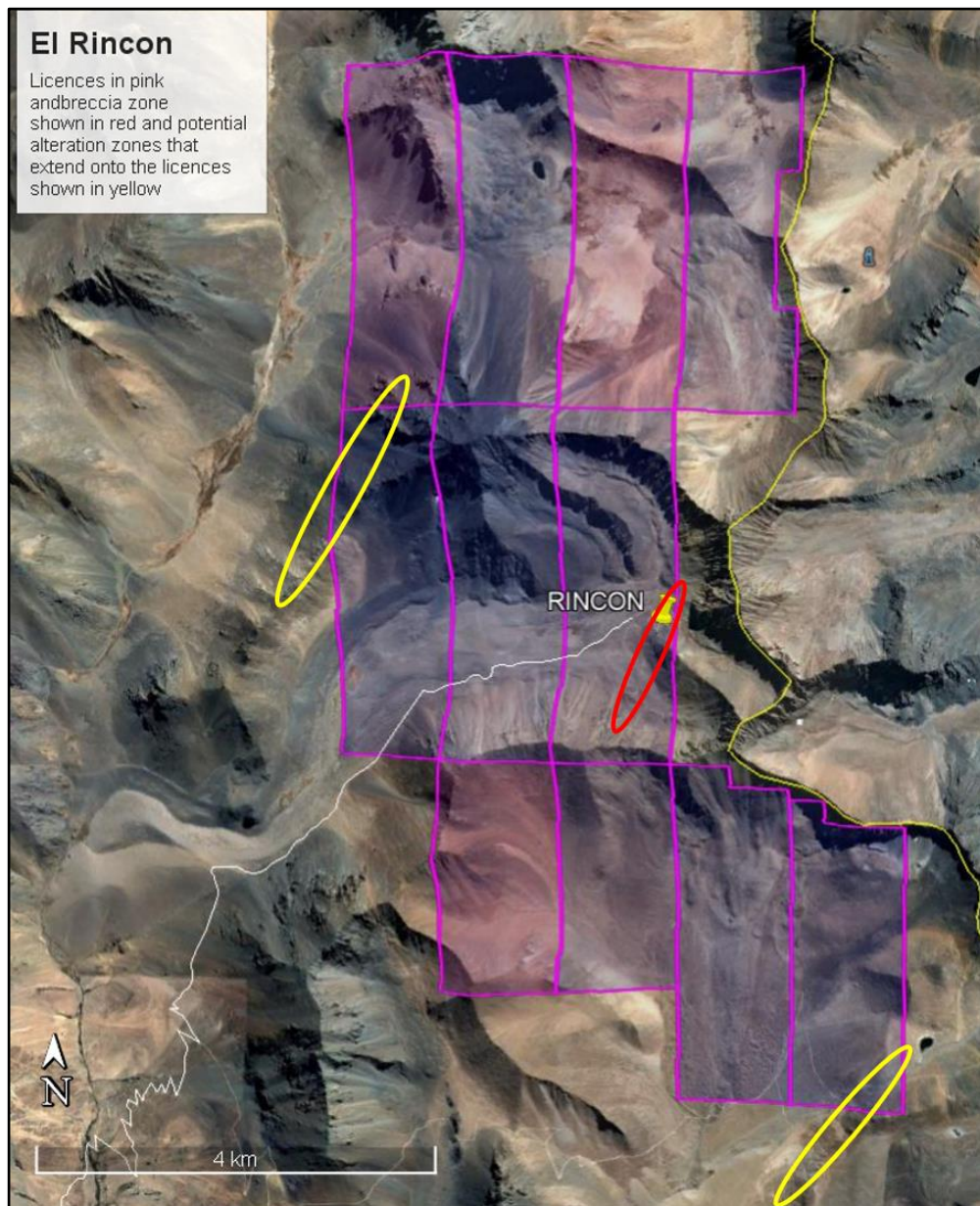


Figure 3: El Rincon licences in pink with breccia zone in red and potential alteration zones in yellow

Llahuin Copper/Gold/Moly Project

The Llahuin copper project hosts a 149Mt @0.41%CuEq resource. Exploration activities at the Llahuin project during the quarter were completed by Sociedad Punta del Cobre S.A. (Pucobre). A site visit and collection of grab samples from the existing pits at Llahuin were completed in addition to resource model analysis. Pucobre are in the process of completing additional sampling of the adits in the Central Prospect to evaluate if the higher grade core of the zone would be complimentary to the development schedule of their El Espino Copper Mine 8km away, (20km by existing road).

The program includes surveying and sampling of the main adit over 150m in length to provide sufficient material (one tonne) for assaying and metallurgical testwork. The metallurgical testing will confirm if the material from Llahuin can be blended with the El Espino ore for processing without affecting the original copper-gold recoveries. It is expected the sampling and metallurgical testwork program in addition to other economic assessment will take Pucobre about 8 months to complete.

Los Pumas Manganese Project

The Los Pumas Manganese project hosts a total Manganese resource of 23.7Mt at 7.81% Mn. Note the resource category tonnages and grades are presented below. Work on the Los Pumas Project included reviewing the resource model and associated data to determine if any extensions to the known mineralization could be targeted in future work programs.

The mineralization is flat lying and the potential extensions of the mineralization would be delineated by drilling downdip to the current zones and to define any potential feeder zones under the flat lying mineralization as most of the drillholes are shallow at average of 30m deep and they would not have intersected these zones.

Additionally, the mineralization extends onto neighboring ground and this could also form a potential addition to the modelled mineralization if the ground can be acquired.

Potential Chilean and/or American markets for the product are being investigated and need to be secured by the company (or a JV partner) prior to any further on ground development work being undertaken.

Corporate:

The Company announced on 31 October 2019, the receipt of valid subscriptions totaling \$150,000 by way of a placement of 6 million shares at 2.5 cps to sophisticated investors. The funds raised in this placement will be used for the Company's Chilean assets and for working capital.

On 1 November 2019, the Company announced the appointment of Mr Mark Stowell as Chairman of the Board. The former Chairman, Mr David Lenigas, continues as a non-executive Director of the Company.

This release was approved by the board.

CONTACTS:

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

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BACKGROUND INFORMATION ON SOUTHERN HEMISPHERE MINING:

Southern Hemisphere Mining Limited is an experienced minerals explorer in Chile, South America. Chile is the world's leading copper producing country and one of the most prospective regions of the world for major new copper discoveries. The Company is advancing the highly prospective Rincon LP Copper/Gold project in central Chile 9km from Antofagasta Minerals Plc Los Pelambres Copper mine. The Company's projects also include the Los Pumas Manganese Project and the Llahuin Porphyry Copper-Gold Project, both of which have significant resources defined as detailed below.

Llahuin Copper Project: Total Measured and Indicated Resources - JORC (2004) Compliant

As announced to the market on 18 August 2013

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)

Los Pumas Manganese Project: Total Measured and Indicated Resources - JORC (2004) Compliant

As announced to the market on 25 March 2011

Resource (at 4% Mn cutoff)	Tonnes						
	Millions	Mn %	SiO₂ %	Fe₂O₃ %	Al %	K %	P %
<i>Measured</i>	5.27	7.39	57.85	2.78	5.62	2.88	0.05
<i>Indicated</i>	13.06	7.65	55	2.96	5.64	2.92	0.05
<i>Measured plus Indicated</i>	18.34	7.58	55.82	2.91	5.62	2.91	0.05
<i>Inferred</i>	5.39	8.59	51.44	2.72	5.49	2.69	0.06

COMPETENT PERSON / QUALIFIED PERSON STATEMENT:

The information in this Report that relates to Mineral Resources or Ore Reserves is based on, and fairly represents 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 of the matters based on his information in the form and context in which it appears.

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 Adam Anderson, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists. Mr Anderson 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 Anderson is a consultant for 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>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 4 1 AL 300	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	200	Hectares	100%	MHS
RINCON 10 1 AL 20	Granted	Salamanca	200	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