

**Southern Hemisphere
Mining Limited**

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Issued Capital:
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Corporate Information:
ASX Code: SUH



Colina2 Gold Project

Southern Hemisphere Mining Limited (“Southern Hemisphere”, “SUH” or “the Company”) (ASX: SUH) advises that the exploration work program has commenced at the 100% owned Colina2 Gold Project in Chile.

Trenching started this week to identify the source of the significant gold in soil anomaly (see Figure 1). Approximately 75m was completed with the excavator and sampled on a metre basis out of a planned 340m program which should be completed by the coming weekend. Results are expected to be available within 3-4 weeks. The host rock is an altered grano-diortite intrusive with boxwork textures with hematite-limonite possibly replacing sulfides and magnetite. Some quartz veinlets smaller than 1 mm with a central suture and hematite halo were also observed.



Figure 1: Excavator on site at Colina2 Gold Copper Project

The Colina2 project was acquired by SUH in 2012 and covers an area of approximately 259Ha shown in the map below, located 9km to the northwest of Sociedad Punta del Cobre S.A. (Pucobre) El Espino Copper Mine which is advancing towards development.

The exploration program will utilize surface trenching using an excavator to determine the source of the gold in soil anomaly as previously announced on 16 March 2020.

Following a data review of the soils, drilling and geophysical data available for Colina2, a reinterpretation of the data suggests the gold in soil anomaly may not

have been adequately tested previously. The soil data shows a NE-SW trending robust MMI Au in soil anomaly 1150m long with response ratios up to 286.

SGS laboratories consider a response ratio for gold over 20 anomalous. (SGS Technical Bulletin 19 MMI Sampling).

The response ratio is calculated by averaging the lowest quartile of results to calculate the background value then the sample values are divided by the background value to calculate the response ratio. The MMI anomaly is additionally supported by a traditional Au in soil anomaly coincident with the MMI anomaly with a peak value of 0.3g/t gold.



Figure 2: Colina2 Trench Sampling

A reinterpretation of the magnetic data by a consulting geophysicist shows the anomaly is coincident with a NE-SW trending fault on the eastern side of the anomaly. The soils were collected and assayed in 2006 and the anomaly was tested with one drillhole. However, half the samples were not assayed, particularly the bottom third of the drillhole. The drillhole also doesn't intersect the fault position which is interpreted to control the gold anomaly. The soil anomaly is on the side of a hill which drains to the west resulting in the gold anomaly moving downhill. The NE-SW structure aligns with the soil anomaly on the top of the hill. The only drillhole on this gold prospect is interpreted to be collared approximately 120m too far west. The drillhole was completed by prior owners, in approximately 2008, and the drillcore is not available.

The program will involve extending the easternmost pits to the east as a trench to test the surface expression of the Au in soil anomaly. The trenches will then be sampled on a metre basis to locate the source of the Au in soil anomaly. Mapping of the exposed outcrop in the creek which cuts

across the northern part of the anomaly will also help in understanding the structure and host rocks. Additionally, three trenches are planned to test the NE-SW orientated copper in soil anomaly with a coincident IP anomaly.

Targeted RC Drilling will follow subject to the success of the above exploration work, and if successful will move quickly to a substantial drill out campaign for the remainder of the year.



Figure 3: Colina2 Surface sample showing goethite-limonite alteration



Figure 4: Location map of the Colina2 Project central Chile

For the purpose of ASX Listing Rule 15.5, the Board has approved for this announcement to be released.

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's projects also include the Los Pumas Manganese Project and the Llahuin Porphyry Copper-Gold Project, both of which were discovered by SUH, and the recently identified Colina 2 Gold prospect.

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 cut-off) | 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 |

Note: *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 cut-off) | Tonnes Millions | Mn % | SiO ₂ % | Fe ₂ O ₃ % | 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 |
| Total | 23.73 | 7.81 | | | | | |

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 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, 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.