

**Southern Hemisphere  
Mining Limited**

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**Directors:**

**Chairman**  
Mark Stowell

**Directors**  
David Lenigas  
Keith Coughlan

**Company Secretary:**  
Jessamyn Lyons

**Issued Capital:**  
108,639,892

**Corporate Information:**  
**ASX Code:** SUH



**ASX Announcement**

**4 August 2020**

**Non-Renounceable Rights Issue**

Southern Hemisphere Mining Limited refers to the non-renounceable rights issue announced on 27 July 2020. The Company completed dispatch of the offer booklet to eligible shareholders and a letter to ineligible shareholders today. Copies of both documents accompany this announcement.

The rights issue closes on 13 August 2020 unless extended in accordance with the Listing Rules.

Shareholders with any queries should contact the Company Secretary, Jessamyn Lyons, on +61 8 6245 2050 or [jess@everestcorp.com.au](mailto:jess@everestcorp.com.au).

This announcement is authorised by the board of Southern Hemisphere Mining Limited.

# Entitlement Offer Booklet

**Southern Hemisphere Mining Limited (ACN 140 494 784)**

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1 for 2 pro rata non-renounceable entitlement offer at \$0.01 per New Share to raise up to approximately \$540,000.

The Entitlement Offer closes at 5.00pm (Sydney time) on 13 August 2020 (unless extended). Valid applications must be received before that time.

Shareholders can, in addition to their Entitlement, apply for Shortfall Shares.

This is an important document which is accompanied by an Entitlement and Acceptance Form and both should be read in their entirety. This document requires your immediate attention. Please call your broker, professional adviser or the SUH Offer Information Line if you have any questions. This document is not a prospectus. This document does not contain all of the information that an investor may require to make an informed investment decision regarding the New Shares offered by this document. The New shares offered by this document should be considered speculative.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

### **Important Notice**

This Offer Booklet is dated 4 August 2020 and was lodged with ASX on that date. The ASX does not take any responsibility for the contents of this Offer Booklet. Capitalised terms in this section have the meaning given to them in this Offer Booklet.

The Entitlement Offer is being made without a prospectus under section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Offer Booklet does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Offer Booklet is important and should be read in its entirety before deciding to participate in the Entitlement Offer. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC.

The Company may make additional announcements after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration about whether you should participate in the Entitlement Offer.

No party other than the Company has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares or Shortfall Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Offer Booklet.

As at the date of this Offer Booklet, the Company has complied with:

- the provisions of chapter 2M of the Corporations Act, as they apply to the Company; and
- section 674 of the Corporations Act.

As at the date of this Offer Booklet, the Company is not aware of any excluded information of the kind which would require disclosure in this Offer Booklet pursuant to subsections 708AA(8) and (9) of the Corporations Act.

### **International offering restrictions**

This Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. In particular, this Offer Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Offer Booklet is not to be distributed in, and no offer of New Shares or Shortfall Shares is to be made in countries other than Australia or New Zealand. The distribution of this Offer Booklet (including an electronic copy) in other jurisdictions may be restricted by law and therefore persons who come into possession of this Offer Booklet should seek advice on and observe these restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or

otherwise permit the public offering of the New Shares, in any jurisdiction outside Australia or New Zealand.

### **New Zealand**

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand). This document has not been registered, filed with or approved by a New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### **Definitions, currency and time**

Defined terms used in this Offer Booklet are contained in section 8. All references to currency are to Australian dollars and all references to time are to Sydney time, unless otherwise indicated.

### **No representations**

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Offer Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Offer Booklet may not be relied upon as having been authorised by the Company or any of its officers.

### **Past performance**

Investors should note that the Company's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including the Company's future financial position or share price performance.

### **Future performance**

This Offer Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of the Company and certain plans and objectives of the management of the Company. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither the Company, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, those forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of the Company. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Offer Booklet in light of those disclosures.

### **Risks**

Refer to the 'Risk factors' in section 5 of this Offer Booklet for a summary of general and specific risk factors that may affect the Company.

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### 1 SUMMARY OF THE ENTITLEMENT OFFER

Shares (approx.)	Assuming 100% take up of the Offer	
	Number of Shares	%
Existing Shares on issue as at the Record Date	108,639,892	66.67
Entitlement Offer at \$0.01 per New Share	54,319,946	33.33
Total	162,959,838	100
Amount raised (before costs)	\$543,199	

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### 2 KEY DATES

Activity	Date
Offer Booklet and Entitlement and Acceptance Form despatched	4 August 2020
Entitlement Offer opens	
Closing date for the Offer (5.00pm (Sydney time))	13 August 2020
Announcement of results of the Offer	18 August 2020
Issue of New Shares under the Offer	20 August 2020
Normal ASX trading for New Shares commences	21 August 2020
Despatch of holding statements for New Shares issued	

This timetable is indicative only and subject to change, subject to the Listing Rules Act.

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### 3 CHAIRMAN'S LETTER

Dear Shareholder,

I am pleased to write to you, as a valued Shareholder of Southern Hemisphere Mining Limited, and offer you the opportunity to participate in the Company's recently announced 1 for 2 non-renounceable entitlement offer of new ordinary Shares (**New Shares**) at an Issue Price of \$0.01 per New Share (**Offer**); a 52.39% discount to the closing price of Shares on 20 July 2020 of \$0.022 per Share (being the last trading day before announcement of the Offer).

The proceeds of the Offer of approximately \$540,000 will be used to fund exploration work at the Company's Colina2 gold prospect in Chile, evaluate Australian gold exploration prospects and for general working capital.

The number of New Shares you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that accompanies this Offer Booklet. If you take up your Entitlement, you can also apply for additional Shares under a 'top-up' facility (refer to section 4.4 of this Offer Booklet for more information).

Entities controlled by Director Keith Coughlan and myself have committed to subscribe for 10 million New Shares (\$100,000) each, by taking up their Entitlement of 2,314,047 and 600,000 New Shares respectively and underwriting the balance.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX or otherwise transferable.

This Offer Booklet contains important information, including:

- information on the Entitlement Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Entitlement Offer if you choose to do so, and a timetable of key dates;
- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions on that form; and
- instructions on how to take up all or part of your Entitlement via BPAY®.

**The Entitlement Offer closes at 5.00pm (Sydney time) on 13 August 2020.**

Please read in full the details on how to submit your application, which are set out in this Offer Booklet. For further information regarding the Entitlement Offer, please call 1300 850 505, or visit our website at [www.shmining.com.au](http://www.shmining.com.au).

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the Board of the Company, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

Mark Stowell  
Chairman

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## **4 DETAILS OF THE OFFER**

### **4.1 Entitlement Offer**

The Entitlement Offer constitutes an offer to Eligible Shareholders only. The Entitlement Offer will raise approximately \$540,000 before costs.

Eligible Shareholders who are on the Company's share register on the Record Date are offered 1 New Share for every 2 Shares held on the Record Date (**Entitlement**) at an issue price of \$0.01 per Share.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares.

The Issue Price of \$0.01 per New Share represents a discount of 52.93% to the closing price of Shares on 20 July 2020 of \$0.022 (being the last trading day before announcement of the Entitlement Offer).

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on ASX, nor can they be transferred or otherwise disposed of.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Offer Booklet. Eligible Shareholders may subscribe for all or part of their Entitlements, and also apply for New Shares under the Shortfall Facility.

Eligible Shareholders who do not take up all of their Entitlements will have their percentage shareholding in the Company diluted.

Eligible Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are summarised in section 5 of this Offer Booklet.

### **4.2 Minimum subscription**

There is no minimum subscription under the Offer.

### **4.3 Acceptances**

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period.

Instructions for accepting your Entitlement are set out in section 6 and on the Entitlement and Acceptance Form which accompanies this Offer Booklet.

### **4.4 Issue of Shortfall Shares under the Shortfall Facility**

The Directors reserve the right to issue any Shortfall Shares within 3 months after the close of the Offer at an issue price of no less than the Issue Price.

Any New Shares not taken up by the Closing Date may be made available to Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Shortfall Facility.

The allocation policy for issuing Shortfall Shares will be as follows:

- (a) Approximately 50% of any Shortfall Shares will be made available to Eligible Shareholders applying for New Shares under the Shortfall Facility, with New Shares to be allocated broadly pro-rata to their Entitlement, subject to each Applicant being issued no less than a minimum parcel of New Shares.

- (b) Approximately 50% of any Shortfall Shares will be made available to Mark Stowell and Keith Coughlan in accordance with their underwriting commitments.

Allocations will be made in such a way that the provisions of the Listing Rules and the Corporations Act, and in particular the takeovers prohibitions in Chapter 6 of the Corporations Act, are complied with.

There is no guarantee that Eligible Shareholders applying for Shortfall Shares will receive the number of New Shares applied for under the Shortfall Facility, or any. The number of New Shares available under the Shortfall Facility will not exceed the shortfall from the Entitlement Offer.

#### **4.5 Underwriting**

Directors Mark Stowell and Keith Coughlan have agreed to underwrite the Offer for 9,400,000 and 7,685,953 New Shares respectively. They will not receive any fee for this commitment and it may only be terminated if the Offer is withdrawn.

#### **4.6 Eligibility of Shareholders**

The Entitlement Offer is being offered to all Eligible Shareholders. An Eligible Shareholder is a Shareholder on the Record Date who:

- (a) has a registered address on the Company share register in Australia or New Zealand;
- (b) is not in the United States and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States; and
- (c) is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

The Entitlement Offer is not being extended to the Ineligible Shareholders because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in jurisdictions outside Australia or New Zealand.

#### **4.7 Ranking of New Shares**

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with Existing Shares.

#### **4.8 Allotment**

The Company will apply for quotation of the New Shares on ASX in accordance with ASX Listing Rules. It is expected that allotment of the New Shares under the Entitlement Offer will take place on or around 20 August 2020.

Application Monies will be held by the Company on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them before trading the New Shares. The sale by an Applicant of New Shares before receiving their holding statement is at the Applicant's own risk.

## 4.9 Capital structure

### (a) Shares

The capital structure of the Company after the Entitlement Offer will be as follows:

Shares (approx.)	Assuming 100% take up of the Entitlement Offer	
	Number of Shares	%
Existing Shares on issue as at 27 July 2020	108,639,892	66.67
Entitlement Offer	54,319,946	33.33
Total	162,959,838	100

### (b) Options

The Company does not have any Option on issue. No Options are offered under the Entitlement Offer.

## 4.10 Recent trading prices

The lowest and highest closing market sale prices of Shares on the ASX during the three months preceding 30 July 2020 (being the date of this Offer Booklet) were \$0.008 on 22 May 2020 and \$0.042 on 29 July 2020 respectively.

The closing market price of Shares on 20 July 2020 (being the last trading day prior to the announcement of the Entitlement Offer) was \$0.022.

## 4.11 Effect on control

For information on the effect of the Entitlement Offer on the control of the Company, refer to the cleansing notice issued by the Company under section 708AA(2)(f) of the Corporations Act on 27 July 2020.

The potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect, will depend on a number of factors, including investor demand and the extent to which eligible shareholders take up their Entitlement.

Given the structure of the Entitlement Offer as a pro rata offer, if all Eligible Shareholders take up their Entitlement, each Eligible Shareholder's ownership interest (and voting power) in the Company will remain largely unchanged insofar as the Entitlement Offer is concerned. To the extent that any Eligible Shareholder fails to take up their Entitlement under the Entitlement Offer, that Eligible Shareholder's percentage holding in the Company will be further diluted by those other Eligible Shareholders who take up some, all or more than their Entitlement. The voting power of Ineligible Shareholders will be diluted.

Entitles controlled by Directors Mark Stowell and Keith Coughlan have committed to take up their Entitlements, and to underwrite the Offer for total commitments of 10 million New Shares each. No person is expected to increase their interest to more than 14.4% (being the current largest substantial holding in the Company) of the Company's issued Shares as a result of the Entitlement Offer.



#### **4.12 Risks**

Any investment in Shares carries certain risks. In addition to the general risks applicable to all investments in listed securities, the Company is subject to a number of specific risk factors which may affect or have an adverse impact on the Company.

A summary of such general and specific risk factors have been set out in the 'Risk Factors' section in section 5.

The Directors recommend that all Shareholders review these risk factors and consult their own stockbroker, solicitor, accountant or other professional adviser to evaluate the potential impact of such risks and whether or not to participate in the Entitlement Offer.

#### **4.13 New Zealand Shareholders**

The Offer contained in this Offer Booklet to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Offer Booklet has not been registered, filed or approved by any New Zealand regulatory authority. This Offer Booklet is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

#### **4.14 Treatment of Ineligible Shareholders**

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia and New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Offer Booklet will not be sent to those Shareholders.

This Offer Booklet does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Offer Booklet or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Offer Booklet or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

#### **4.15 Quotation**

The Company has applied for quotation of the New Shares offered by this Offer Booklet on ASX. A decision by ASX to grant official quotation of the New Shares is not to be taken in

any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

#### **4.16 Section 708AA Corporations Act**

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

This Entitlement Offer is being undertaken pursuant to section 708AA of the Corporations Act. This section enables disclosing entities to undertake a rights issue in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Offer. Apart from formal matters a notice under section 708AA(2)(f) need only:

- (a) contain information that is excluded information as at the date of the offer document pursuant to section 708AA(8) and (9); and
- (b) state:
  - (i) the potential effect the issue of the New Shares will have on the control of the Company; and
  - (ii) the consequences of that effect.

A notice under section 708AA(2)(f) was lodged with the ASX on 27 July 2020.

#### **4.17 Taxation**

There will be tax implications associated with participating in the Entitlement Offer and receiving New Shares. The Company considers that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares under this Offer Booklet or the subsequent disposal of any New Shares. The Company recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

#### **4.18 Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or through the Share Registry). The Company collects, holds and will use that information to assess your Application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds

about you. To make a request for access to your personal information held by (or on behalf of) the Company, please contact the Company through the Share Registry.

#### **4.19 Notice to nominees and custodians**

Nominees and custodians may not distribute any part of this Offer Booklet or any Entitlement and Acceptance Form in any country outside Australia, except to beneficial holders of Shares to the extent it is lawful to do so.

#### **4.20 CHESS**

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (**ASPL**), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under the Offer. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Shares issued under the Offer, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under the Offer and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

#### **4.21 Enquiries**

If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant, solicitor or other independent professional adviser. If you:

- (a) have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- (b) you have lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Offer Information Line on 1300 850 505 (in Australia) at any time from 8.30am to 5.30pm (Sydney time) Monday to Friday during the Entitlement Offer period.

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## 5 RISK FACTORS

This section identifies the major risks the Board has identified regarding an investment in the Company. The Company's business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements will be achieved. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on the Company's prospects, and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 5.1 Specific Investment Risks

#### (a) Early stage projects

The Company's projects are at an early stage. In advancing the Company's projects to a stage where they may be cash generative, many risks are faced, including the capital costs of development and the risks associated with mine construction. It is impossible to ensure that feasibility studies or exploration program on any of the Company's projects will result in a profitable commercial mining operation. The Company's operations are subject to all of the hazards and risks normally associated with the exploration, development and production of minerals, any of which could result in damage to life, property or the environment and possible legal liability for such damage caused. The Company's activities may be subject to prolonged disruptions due to weather conditions. Hazards, such as unusual or unexpected formations, rock bursts, over pressured aquifers, cavities, flooding or other conditions may be encountered during the drilling and removal of material. While discovery of a mineral deposit may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines.

Major expenditure may be required to establish reserves by drilling and to construct mining and processing facilities, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit (such as its size and quality), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of minerals and environmental protection). The effect of these factors can only be estimated and cannot be accurately predicted.

#### (b) Rights of access to land and permitting

In order to commence mining activities, including extraction of minerals and the associated processing operations, agreements with the landowners of the Company's projects have to be reached. The Company has not entered into any agreements on extraction of minerals, or on rights of access nor other required rights for any mining operations in the relevant areas, with the landowners in the

areas the subject of the Company's projects. If further investigations are to be made, and this presupposes the use of motorised vehicles, the Company will require approval from the landowners and a permit under the relevant law in the relevant jurisdiction. The process of obtaining such rights of access and permits could lead to a delay in exploration or production. As a result of such delays, the Company may incur additional costs and/or losses of revenue.

(c) Reserve and resource estimates

Any existing and future mineral resource and reserve figures will be estimates and there can be no assurances that the mineral resources or reserves are present, will be recovered or can be brought into profitable production. Mineral resource and reserve estimates may require revisions based on actual production experience. Furthermore, a decline in the market price for minerals could render remaining Mineral Reserves uneconomic to recover and may ultimately result in a restatement of both Mineral Resources and Reserves.

Estimates of mineral resources can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Material changes in mineral reserves or recovery rates may affect the economic viability of projects and the Company's project could become commercially unviable as a result of any material reduction in estimates of Reserves and Resources.

Mineral resources are reported as general indicators and should not be interpreted as assurances of minerals or the profitability of current or future operations.

(d) Risks related to COVID-19

The extent of the effects of the COVID-19 pandemic at this stage is still uncertain and evolving. There is a risk that there will be further disruption to workplaces and the Company's operations as a result of restrictions imposed by local government in response to the pandemic, or work safety and health risk as a result of the pandemic and/or disruption of markets and logistical supply chains. Any further COVID-19 or other pathogenic outbreaks will have a material adverse on the wellbeing and health of the Company's employees and contractors and the supply chain, and the Company may not be able to carry out its business plan if any or at all.

(e) Political and country risks

The Company's projects are in politically and economically stable jurisdictions, but although unlikely, it cannot be guaranteed that this stability will exist during the entire life of the Company's operations in those jurisdictions. In addition, government authorities in those jurisdictions may decide in the future to increase taxation on businesses in general or extractive industries in particular to a level where the Company's operations in those jurisdictions no longer remain economic.

(f) Changes in the laws

Any changes in the laws of the jurisdiction where the Company operates could materially affect the rights and title to the interests held there by the Company. No assurance can be given that the government in those jurisdiction will not revoke

or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. In addition, such approvals, exploration licences and extraction licences are subject to change in various circumstances and further project specific governmental decrees and/or legislative enactments may be required.

(g) Liquidity

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. In the short-term, liabilities will be funded by cash.

Although the Company has been successful in the past in raising equity finance, there can be no assurance that the funding required by the Company will be made available to it when needed or, if such funding were to be available, that it would be offered on reasonable terms. The terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders or if no funding available then insolvency is a risk as the company has no income, and not readily saleable assets.

(h) Future funding requirements

If in the future the Company requires additional funding, there is no certainty that this will be possible at all or on acceptable terms. In addition, the terms of any such financing may be dilutive to, or otherwise adversely affect, Shareholders. If the Company is unable to obtain additional financing as and when needed, it could result in a delay or indefinite postponement of exploration and development activities or ultimately mean that it is unable to continue with the Company's projects.

(i) Dividends

There can be no assurance as to whether any future dividends may be paid. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Board, and will depend upon, among other things, the Company's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time. For the time being, the Company does not pay dividends and this is unlikely to change in the near future.

(j) Reliance on key personnel

The loss of any one or more of the directors could have adverse impact on the performance and prospects of the Company.

(k) Development and operating risks

Development of any mineral deposit will require obtaining the necessary licences or clearances from the necessary authorities which may require conditions to be satisfied and/or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied.

The operations of the Company may be affected by various factors, including without limitation, failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortage or increases in the costs of consumables, spare parts, plant and equipment.

(l) **Commodity price volatility**

Should the Company commence production, most of the Company's revenues would potentially be derived from the sale of minerals. Consequently, the Company's expected earnings will be closely related to the price of minerals sold by the Company. Mineral prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand, forward selling producers, and production costs levels in major mineral-producing regions.

(m) **Environmental risks**

The operations and proposed activities of the Company are subject to the laws and regulations concerning the environment in the local jurisdiction. As with most exploration projects and production projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

(n) **Competition**

The Company will be competing with other companies in the resource sector, many of which may well have access to greater resources than the Company and may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

## **5.2 General Investment Risks**

(a) **Share Market Investments**

It is important to recognise that the price of Shares may rise or fall, and they might trade at prices below or above the Issue Price. There can also be no assurance that an active trading market will develop for the Shares.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

(b) **General Economic Conditions**

The Company's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

(c) Accounting Standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and the Company's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in the Company's financial statements.

(d) Taxation Risks

Changes to the rate of taxes imposed on the Company or tax legislation generally may affect the Company and its Shareholders. In addition, an interpretation of Australian taxation laws by the Australian Taxation Office that differs to the Company's interpretation may lead to an increase in the Company's taxation liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. The Company is not responsible either for taxation or penalties incurred by investors.



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## 6 HOW TO APPLY

### 6.1 Shareholder's choices

The number of New Shares to which Eligible Shareholders are entitled under the Entitlement Offer (i.e. their Entitlement) is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up their Entitlement in full and, if they do so, they may apply for additional New Shares under the Shortfall Facility (refer to section 6.2);
- (b) take up part of their Entitlement, in which case the balance of the Entitlement lapses (refer to section 6.3); or
- (c) allow their Entitlement to lapse (refer to section 6.4).

Ineligible Shareholders may not take up any of their Entitlements.

Eligible Shareholders are not obliged to take any action in respect of the Offer, and if they do not do so their Entitlement will become Shortfall Shares.

The Closing Date for acceptance of the Entitlement Offer is 5.00pm (Sydney time) on 13 August 2020 (however, that date may be varied by the Company in accordance with the Listing Rules). The Company reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

### 6.2 Taking up all of your Entitlement and participating in the Shortfall Facility

If you wish to take up your Entitlement in full, follow the instructions set out in the Entitlement and Acceptance Form.

If you have applied to take up all of your Entitlement, you may also apply for additional New Shares under the Shortfall Facility.

Please return your completed Entitlement and Acceptance Form together with your Application Monies in accordance with section 6.5 for the amount shown on the Entitlement and Acceptance Form to the Share Registry so that it is received no later than 5.00pm (Sydney time) on 13 August 2020 at the address set out below:

Post
<b>Southern Hemisphere Mining Limited</b> C/- Computershare Investor Services Pty Limited GPO Box 505 Melbourne VIC 3001

You may also take up all of your Entitlement by payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY®, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than 5.00pm (Sydney time) on 13 August 2020.

If you do not return the Entitlement and Acceptance Form, amounts received by the Company in excess of the Issue Price multiplied by your Entitlement (**Excess Amount**) may

be treated as an application to apply for as many additional New Shares under the Shortfall Facility as your Excess Amount will pay for in full.

If you apply for additional New Shares under the Shortfall Facility and your application is successful (in whole or in part) your New Shares will be issued at the same time that other New Shares are issued under the Entitlement Offer. There is no guarantee you will receive any New Shares under the Shortfall Facility. The Directors reserve their right to allot and issue New Shares under the Shortfall Facility at their discretion, having regard to the allocation policy set out in section 4.2.

Refund amounts, if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the share register as at the closing date of the Entitlement Offer. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to [www.investorcentre.com.au](http://www.investorcentre.com.au) and following the instructions.

### **6.3 Taking up part of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required under section 6.2.

You may arrange for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPAY® and the Company receives an amount that is less than the Issue Price multiplied by your Entitlement (**Reduced Amount**), your payment may be treated as an application for as many New Shares as your Reduced Amount will pay for in full.

### **6.4 Allow your Entitlement to lapse**

If you do not wish to accept all or any part of your Entitlement, do not take any further action. That part of your Entitlement will lapse and form part of the Shortfall Facility, and your holding in the Company will be diluted accordingly.

### **6.5 Payment**

The consideration for the New Shares (including under the Shortfall Facility) is payable in full on application by a payment of \$0.01 per New Share. The Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies. Cheques must be drawn in Australian currency on an Australian bank and made payable to 'Southern Hemisphere Mining Limited' and crossed 'Not Negotiable'.

Alternatively, you may arrange for payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

### **6.6 Entitlement and Acceptance Form is binding**

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY®, constitutes a binding offer to acquire New Shares on the terms of this Offer Booklet

and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;
- (b) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act, or under the laws of any other jurisdiction outside Australia or New Zealand;
- (c) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (d) you acknowledge that the New Shares may only be offered, sold and resold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S;
- (e) if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your personalised Entitlement and Acceptance Form;
- (f) you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety, and you acknowledge that an investment in the Company is subject to risk;
- (g) all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (h) the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Entitlement Offer;
- (i) if you decide to sell or otherwise transfer any New Shares, you will only do so in regular way transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre arranged with, or that the purchaser is, a person in the United States;
- (j) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person in the United States; and

- (k) acknowledge that the information contained in this Offer Booklet and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and is not a prospectus or product disclosure statement, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX.

#### **6.7 Brokerage and stamp duty**

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer.

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## 7 RIGHTS AND LIABILITIES ATTACHING TO SHARES

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
- determine that a dividend is payable, fix the amount and time for payment.

(c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

(g) Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act

(h) Election of directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares offered under the Offer Booklet are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

## 8 GLOSSARY

Term	Definition
\$ or A\$	means Australian dollars.
Applicant	means an Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or has arranged for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
Application	means the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY®.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Closing Date	means 5pm (Sydney time) on 13 August 2020, the day the Entitlement Offer closes, or any other date that the Directors in their absolute discretion determine, subject to the Listing Rules.
Company	means Southern Hemisphere Mining Limited ACN 140 494 784.
Constitution	means the Company's constitution.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Directors or Board	means the Company's directors.
Eligible Shareholder	has the meaning set out in section 4.6.
Entitlement	means the right to subscribe for New Shares under the Entitlement Offer.
Entitlement and Acceptance Form	means the Entitlement and Acceptance Form accompanying this Offer Booklet.
Entitlement Offer or Offer	means the 1 for 2 pro rata non-renounceable entitlement offer at \$0.01 per New Share to raise up to approximately \$540,000

	as announced by the Company on 27 July 2020.
Existing Shares	means the Shares on issue as at the Record Date.
Ineligible Shareholder	means a Shareholder (or beneficial holder of Shares) on the Record Date with a registered address outside Australia or New Zealand, or any other jurisdiction that the Company agrees to which ASX Listing Rule 7.7.1(a) applies.
Offer Booklet	means this document.
Issue Price	means \$0.01 per New Share.
Listing Rules	means the official listing rules of ASX.
New Shares	means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Shortfall Facility.
Record Date	means 7.00pm (Sydney time) on 30 July 2020.
Entitlement Offer	means the pro rata non-renounceable offer to Eligible Shareholders to subscribe for 1 New Share for every 2 Shares of which the Shareholder is the registered holder on the Record Date, at the Issue Price under this Offer Booklet.
Shareholders	mean holders of Shares.
Shares	means fully paid ordinary shares in the capital of the Company.
Share Registry	means Computershare Investor Services Pty Limited.
Shortfall Shares	means those New Shares not taken up by Eligible Shareholders under the Entitlement Offer, together with those New Shares to which any Ineligible Shareholders would otherwise have been entitled.
Shortfall Facility	means the facility described in section 4.2 under which certain Eligible Shareholders may apply for New Shares in excess of their Entitlement.
US Securities Act	means the US Securities Act of 1933, as amended.



## Corporate Directory

### Directors

Mark Sowell	Chairman
David Lenigas	Director
Keith Coughlan	Director

### Company Secretary

Ms Jessamyn Lyons

### Website

[www.shmining.com.au](http://www.shmining.com.au)

### Registered Office

Suite 12, Level 1, 11 Ventnor Avenue,  
West Perth, WA, Australia, 6005

Tel: +61 862 452 050

Fax: +61 862 452 055

### Share Registry\*

Computershare Investor Services Pty Limited

Tel: 1300 850 505

### Auditor\*

PKF Perth

### Solicitor to the Offer

Atkinson Corporate Lawyers

\*This party is named for informational purposes only and was not involved in the preparation of this Offer Booklet.



4 August 2020

Dear Shareholders

## **Southern Hemisphere Mining Limited – Notice to Ineligible Shareholders**

### **Background**

On 27 July 2020, Southern Hemisphere Mining Limited ACN 140 494 784 (**SUH** or the **Company**) announced a 1 for 2 non-renounceable entitlement offer of fully paid ordinary shares in SUH (**New Shares**) to raise approximately \$540,000 (**Entitlement Offer**). Details of the Entitlement Offer are set out in the Offer Booklet lodged with ASX on 4 August 2020.

The proceeds of the Entitlement Offer in the amount of approximately \$540,000 will be used to accelerate work at the Company's Colina2 gold prospect in Chile and for general working capital.

### **Terms of the Entitlement Offer**

The offer price for the Entitlement Offer is \$0.01 per New Share (**Offer Price**).

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 New Share for every 2 existing shares held at 7.00pm (Sydney time) on 30 July 2020 (**Record Date**) at the Offer Price (**Entitlements**).

SUH will offer the New Shares for issue without disclosure to investors under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. The Offer Booklet and notice given in accordance with sections 708AA(2)(f) of the Corporations Act have been lodged with ASX and are available to view on ASX's website ([www.asx.com.au](http://www.asx.com.au)).

Fractional Entitlements will be rounded up to the nearest whole number of New Shares, and holdings on different registers or sub-registers will not be aggregated to calculate Entitlements.

Eligible shareholders may also apply for additional New Shares in excess of their Entitlement at the same price as under the Entitlement Offer (**Top-Up Facility**). Additional New Shares will only be available under the Top-Up Facility where there is a shortfall between applications for New Shares received from eligible shareholders and the number of New Shares proposed to be issued under the Entitlement Offer. There is no guarantee that applicants under this Top-Up Facility will receive all or any of the shares that they apply for under the Top-Up Facility.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on ASX, nor can they be transferred or otherwise disposed of.

### Proposed timetable

SUH expects that the Entitlement Offer will be conducted according to the following timetable:

Activity	Date
Announcement of the Entitlement Offer (Prior to 12.00pm (Sydney time))	27 July 2020
Record Date for Entitlement Offer (7.00pm (Sydney time))	30 July 2020
Information Booklet and Entitlement and Acceptance Form dispatched	4 August 2020
Entitlement Offer opens	
Closing date for Entitlement Offer (5.00pm (Sydney time))	13 August 2020
Announcement of results of Entitlement Offer	18 August 2020
Settlement of the Entitlement Offer	20 August 2020
Allotment of New Shares issued under the Entitlement Offer	
Normal ASX trading for New Shares issued under the Entitlement Offer commences	21 August 2020
Dispatch of holding statements for New Shares issued under the Entitlement Offer	

Notes:

All times are Sydney time.

This timetable is indicative only and subject to change. The board of directors of SUH may vary these dates, subject to the ASX Listing Rules. An extension of the closing date for acceptances under the Entitlement Offer will delay the anticipated date for issue of the New Shares. The board of directors of SUH also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants.

### Capital structure

The capital structure of SUH following completion of the Entitlement Offer is expected to be as follows (ignoring the effect of rounding Entitlements):

Shares (approx.)	Assuming 100% take up of the Entitlement Offer	
	Number of Shares	%
Existing Shares on issue as at 27 July 2020	108,639,892	66.67

Entitlement Offer	54,319,946	33.33
<b>Total</b>	<b>162,959,838</b>	<b>100</b>

The new SUH shares issued will be fully paid and rank equally with existing ordinary shares on issue in the capital of SUH.

#### **Eligibility of shareholders to participate in the Entitlement Offer**

The Entitlement Offer is only available to eligible shareholders. SUH has determined under ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act that it would be unreasonable to make offers to shareholders in all countries in connection with the Entitlement Offer. Accordingly, this letter is to inform you that SUH has determined that you are not an eligible shareholder and you are therefore ineligible to apply for the New Shares. You are not required to do anything in response to this letter.

A person is eligible to participate in the Entitlement Offer as an eligible shareholder where the person is a registered holder of ordinary shares in the capital of SUH as at 7.00pm (Sydney time) on the Record Date who:

1. has a registered address on the SUH share register in Australia or New Zealand;
2. is not in the United States and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States; and
3. is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

As you do not satisfy the criteria for eligibility, SUH is unable to extend the Entitlement Offer to you.

New Shares equivalent to the number of New Shares you would have been entitled to if you were an eligible retail shareholder will be allocated at the discretion of the Directors.

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for these entitlements in respect of any New Shares that would have been offered to you if you were eligible.

#### **Further information**

If you have any queries, please contact the Company Secretary on [jess@everestcorp.com.au](mailto:jess@everestcorp.com.au) or +61 8 6245 2050 between 9:00am and 5:00pm (AEST) Monday to Friday, alternatively, consult your stockbroker, solicitor, accountant or other professional financial adviser.

On behalf of the directors, I thank you for your continued support of SUH.

Yours sincerely



Mark Stowell  
Chairman  
Southern Hemisphere Mining Limited

**Important notices**

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this letter have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.