

ASX RELEASE OCTOBER 26, 2015

## Unsecured Non-Recourse Loan Agreement

**Southern Hemisphere Mining Limited** (ASX: SUH) (“Southern Hemisphere” or the “Company”) is pleased to announce that it has been granted an unsecured, Non-Recourse Loan (the “Loan”) for A\$100,000 from its Managing Director Mr Trevor Tennant.

The key terms of the Loan are:

- The Loan is unsecured;
- The Loan is not subject to interest or commission;
- The Loan is to be repaid in shares, subject to shareholder approval;
- The Loan will not be converted into shares if such conversion would cause Mr Tennant or the Company to breach the Corporations Act 2001 (Cth) or the Listing Rules of the ASX. In this regard, any conversion of the Loan into shares will require the prior approval of shareholders;
- The issue price of the shares will be \$0.006
- In the event that the Loan is not repaid in shares, it will be repaid in cash on or before 31 December 2015.

The Board considers the terms of the Loan from Mr Tennant are commercially favourable to the Company (compared to the reasonable circumstances of an arm’s length transaction) and as such shareholder approval is not required under Chapter 2E of the Corporations Act (Cth) 2001 (the Act) (Related Party Transactions).

The proceeds from the Loan will be applied to the Company’s project activities in particular marketing the Llahuin Copper-Gold Project for farm-in and for general working capital including concession payments to maintain tenure over the Llahuin Project.

**--ENDS--**