



Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

Dear Sir or Madam:

NOTIFICATION OF SHORTFALL UNDER RIGHTS ISSUE

Southern Hemisphere Mining Limited (ASX: SUH) (the "Company") confirms that its 2 for 1 renounceable rights issue offer ("Offer") closed at 5:00pm WST on Thursday, May 26, 2016.

The Company gives notice of shortfall of subscriptions for its Offer as follows:

1. The Company received acceptances for a total of 26,810,372 shares raising \$536,207;
2. The number of shares offered under the Offer was 42,585,122 shares resulting in a shortfall of 15,774,750 shares ("Shortfall Shares").

The Shortfall Shares will be placed entirely via underwriting agreements through Lead Manager Euroz Limited resulting in final proceeds of \$851,702 before costs. The issue of shares above under the Offer will occur on Thursday, June 2, 2016. It is anticipated that normal trading of the shares and options will commence from Friday, June 3, 2016.

With successful completion of the Offer, Southern Hemisphere welcomes Mr Douglas Young to the Board as Non-Executive Chairman and Mr Brian Beresford to the Board as a Non-Executive Director. Further, Mr John Tarrant resigns as Non-Executive Chairman and Mr James Pearson resigns as a Non-Executive Director. These appointments and resignations are effective immediately.

Yours faithfully

A handwritten signature in black ink that reads "T. Tennant".

Trevor Tennant
Managing Director



ASX: **SUH**
ABN: 17 140 494 784
www.shmining.com.au

AUSTRALIAN OFFICE
33 Ventnor Avenue
West Perth WA 6005
TEL: +61 8 9481 2122