



ASX: SUH
TSX-V: SH

Australian Office:

PO Box 598 T: +61 8 9481 2122
West Perth F: +61 8 9481 2322
WA 6872 www.shmining.com.au

Chilean Office:

Minera Hemisferio Sur SCM
Unit 1103, Roger de Flor 2907
Los Condes, Santiago

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DRILLING RETURNS ENCOURAGING INITIAL RESULTS FROM EL ARRAYAN COPPER PROJECT, CHILE

Highlights:

- **Copper mineralisation intersected in four of the first six drill holes**
- **Results include significant intercepts of 65m with a composite weighted average grade of 1.00 % Cu**
- **Significant intercepts in this hole included 26m @ 1.54% Cu from 86m, including 17m @ 2.03% Cu**
- **Style of mineralisation at El Arrayan similar to the nearby porphyry copper mine at Andacollo (owned by Teck Cominco)**
- **Ongoing drilling planned to test geological interpretation**

International mining company Southern Hemisphere Mining Limited (“Southern Hemisphere” or the “Company”) is pleased to report encouraging results from the initial 8-hole reverse circulation drilling program at one of its priority copper exploration projects in Chile, the **El Arrayan Project** (“Project”), located in the highly prospective Coquimbo Region.

Results have so far been received for six of the eight holes (1,800m) completed to date as part of the drilling program, which commenced in mid December 2010. From the assay results received, copper mineralisation was recorded in four of these six holes and significant intercepts were recorded in Hole EA002.

These included a composite weighted average for significant intercepts of **65m @ 1.00% Cu** in Hole EA002. This composite weighted average contained several higher grade zones which included **26m @ 1.54% Cu**, including an internal intersection of **17m @ 2.03% Cu**.

Location

The El Arrayan Project concessions are located in the Province of Elqui, which is part of Chile’s Region IV, and are only 37km south east from the regional capital of La Serena and neighbouring major Port of Coquimbo. The concession area covers approximately 64 sq kms.

The Project lies just 15km north-northeast from the Andacollo porphyry copper mine, which is owned by Teck Cominco.

Regional Setting

The El Arrayan Project lies within the Coastal Cordillera of north-east Chile in a north-northwest trending structural corridor, that extends for some 150km from south of Andacollo to Los Choros Creek in the north.

Mineralisation

The El Arrayan style of mineralisation resembles Andacollo with a diorite intrusive being the source of mineralisation, although a large percentage of the mineralised zone is in the adjacent andesitic wall rocks, with propilitic alteration (chlorite, epidote, calcite, specularite), sericitic alteration, and combinations of both types.

The El Arrayan mineralisation consists of copper oxides, and minor chalcopyrite with pyrite and magnetite. A preliminary stage geological interpretation shows that the mineralisation could be a mixture of veins and mantles associated with porphyritic diorite intruding volcanic-sub-volcanic sequences of fine grain andesite with minor microdiorites.

This mineralisation could represent the medium-distal part of a hydrothermal system, probably associated with a copper-gold porphyry target, similar to the Andacollo porphyry copper system.

The copper-gold porphyry systems are characteristically associated with diorite-tonalite intrusives with moderate to weak quartz-sericitic alteration and rich in magnetite-specularite-quartz veinlet systems. All these characteristics have been observed in the Project area.

The model for El Arrayan mineralisation is similar to the Andacollo system, which has a reserve base of approximately 500 million tonnes with a grade of 0.44% Cu and 0.13g/t gold.

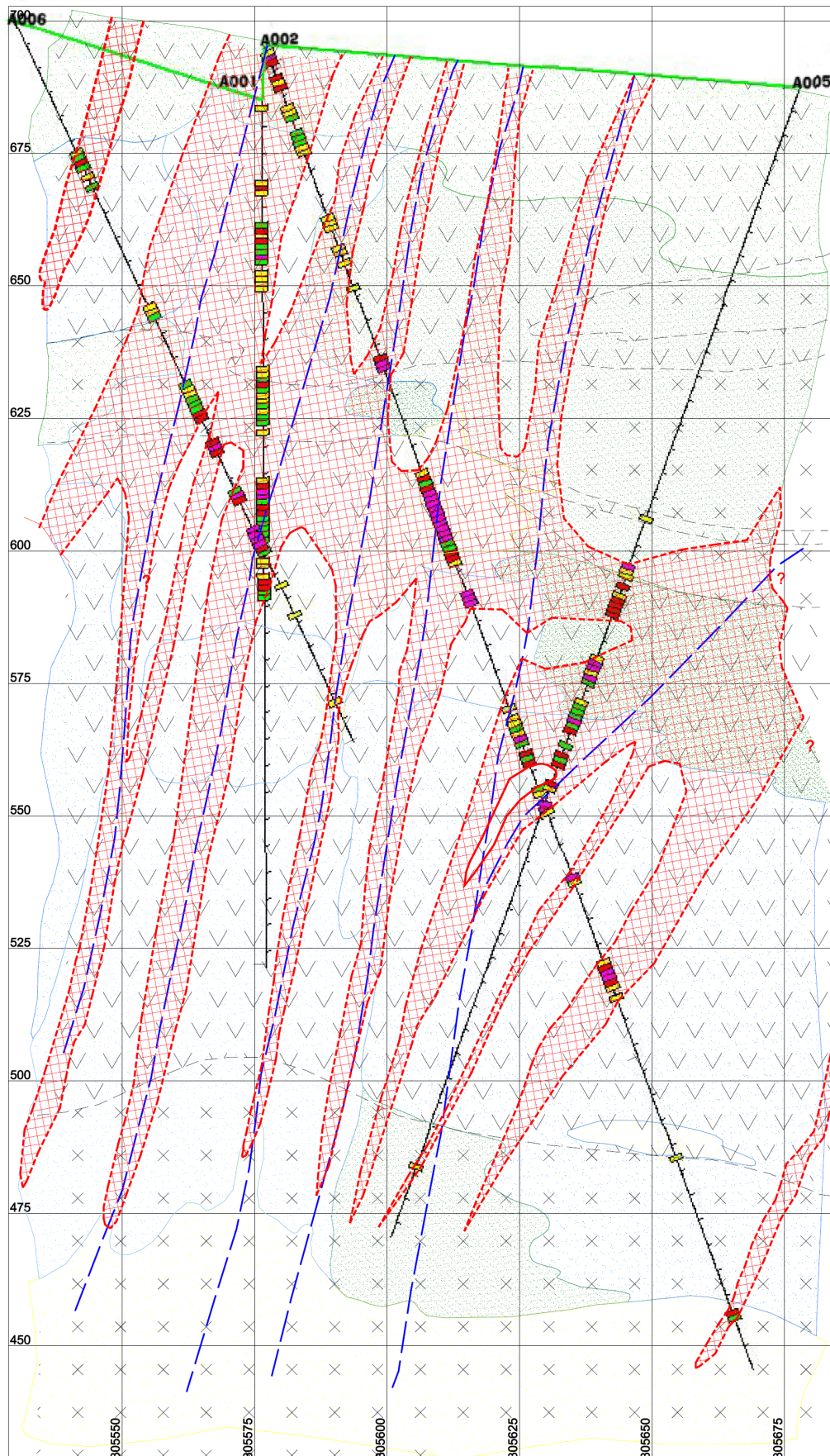
Ongoing drilling will test this copper/gold porphyry model.

Analysis

Assay samples from the reverse circulation drilling program were taken at one metre intervals from splits of the drill chips, using a standard sample splitting system at El Arrayan. Sample preparation and analysis was conducted on 4-5 kg drill samples by Andes Analytical Assay Ltda (“Andes”) in Santiago, using Atomic Absorption Spectrometry methods. Andes is an independent full service commercial laboratory accredited under ISO 9001:2008. Control samples were inserted by Andes and every 10th sample was repeat assayed.

From the results to date, four of the six holes intercepted mineralised zones and the remaining two drill holes were found to fall outside the mineralised zones.

Cross Section of Holes EA 001, 002, 005 and 006



Legend

ALTERATION

	CLORITIC
	CLORITIC - EPIDOTIC
	CLORITIC-EPIDOTIC - QzSer
	CLORITIC -QzSer
	QzSer-CLORITIC
	Qz Ser

LITHOLOGY

	Fine Grain ANDESITE
	Porphyritic DIORITE
	Mineral Zone > 0,1% Cu

Detailed Results

An intercept of 26m, between 86m and 112m, returned an average grade of 1.54% Cu. Within that intercept, between 86m and 103m, an intercept of 17m returned an average grade of 2.03% Cu. The most significant intercepts are summarised in the table below, which shows a composite weighted average of significant intercepts for Hole No EA002 of 65m at 1.00% Cu.

The analysis results for the remaining two drill holes will be disclosed separately when received.

Hole No. EA 001					
Easting	305,576			Total Depth	163m
Northing	6,668,651			Azimuth	0 Degrees
Collar RL	685m			Dip	90 Degrees
From m	To m	Intercept m	Cu %	Lithology	
23	31	8	0.53	Porphyritic Diorite	
50	61	11	0.21	Fine Grained Andesite	
71	83	12	0.65	Fine Grained Andesite	
90	94	4	0.56	Fine Grained Andesite	
Composite Weighted Average of Significant Intercepts					35m at 0.47%

Hole No. EA 002					
Easting	305,577			Total Depth	265 m
Northing	6,668,619			Azimuth	90 Degrees
Collar RL	695m			Dip	70 Degrees
From m	To m	Intercept m	Cu %	Lithology	
1	4	3	1.03	Porphyritic Diorite	
6	9	3	0.59	Porphyritic Diorite / Fine Grained Andesite. Contact zone	
12	22	10	0.18	Fine Grained Andesite	
62	65	3	1.24	Fine Grained Andesite	
86	112	26	1.54	Fine Grained Andesite	
86	103	17	2.03	Note: This is within the previous intercept.	
134	144	10	0.38	Fine Grained Andesite	
152	154	2	1.68	Fine Grained Andesite	
166	168	2	0.67	Fine Grained Andesite	
183	189	6	1.06	Fine Grained Andesite	
Composite Weighted Average of Significant Intercepts					65m at 1.00%

Hole No. EA 003			
Easting	305,333	Total Depth	137m
Northing	6,668,742	Azimuth	105 Degrees
Collar RL	731m	Dip	70 Degrees
No significant Intercepts			

Hole No. EA 004			
Easting	305,436	Total Depth	80m
Northing	6,668,655	Azimuth	278 Degrees
Collar RL	711m	Dip	65 Degrees
No significant Intercepts			

Hole No. EA 005				
Easting	305,677	Total Depth	278m	
Northing	6,668,656	Azimuth	230 Degrees	
Collar RL	687m	Dip	65 Degrees	
From m	To m	Intercept m	Cu %	Lithology
99	110	11	0.54	Porphyritic Diorite
119	134	15	0.64	Porphyritic Diorite
138	141	3	0.44	Fine Grained Diorite
144	149	5	0.40	Fine Grained Diorite
Composite Weighted Average of Significant Intercepts			34m at 0.55%	

Hole No. EA 006				
Easting	305,530	Total Depth	150m	
Northing	6,668,631	Azimuth	95 Degrees	
Collar RL	700m	Dip	65 Degrees	
From m	To m	Intercept m	Cu %	Lithology
28	31	3	0.39	Fine Grained Andesite
75	83	8	0.36	Porphyritic Diorite
87	90	3	1.31	Porphyritic Diorite
97	100	3	0.86	Porphyritic Diorite
105	111	6	1.79	Fine Grained Andesite
Composite Weighted Average of Significant Intercepts			23m at 0.93%	

The intercepts between the reported significant intercepts above consisted of Fine Grained Andesite or Porphyritic Diorite and produced a composite weighted average assay grade of 0.02% Cu.

For further information please contact:

Trevor Tennant (Southern Hemisphere CEO) +61 (0) 414 895 605 or +56 (9) 7766 4688

Media Enquiries – Nicholas Read (Read Corporate) +61 (8) 9388 1474

Trevor Tennant (President /CEO Southern Hemisphere), a Member of the Australasian Institute of Mining and Metallurgy, is a Qualified Person as defined by National Instrument 43-101 and was responsible for the design and conduct of this exploration drilling campaign, supervised the preparation of the technical information in this release and has the relevant experience and competence of the subject matter.

This report is prepared in accordance with disclosure and reporting requirements set forth in National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1, and complies with Canadian National Instrument 43-101 for the “Standards of Disclosure for Mineral Projects” of December 2005 (the Instrument) Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this news release. This news release has been prepared by management and no regulatory authority has approved or disapproved the information contained herein.

The details contained in this report pertain to information compiled by Mr. Trevor Tennant, a full time employee of the Company and who is a Member 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 December 2004 Edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Tennant consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.