



SOUTHERN HEMISPHERE SIGNS FARM-IN OPTION AGREEMENT ON MANTOS GRANDES PROJECT

Midwinter Resources has option to earn up to 65% of Chilean copper/gold project

Southern Hemisphere Mining Limited (ASX: SUH, TSX-V: SH) ("Southern Hemisphere" or the "Company") is pleased to advise that it has entered into a joint venture farm-in arrangement with Midwinter Resources NL (ASX: MWN) for its Mantos Grandes Project ("Mantos Grandes"), located in the Province of Limari, central Chile.

Situated in the Central Andes, approximately 400km north-east of Santiago, Mantos Grandes forms part of Southern Hemisphere's extensive portfolio of Chilean copper/gold exploration projects.

Under the agreement, Midwinter can earn a 65% interest in the Mantos Grandes Project for a total expenditure of \$2.85 million, made up of \$1.50 million in Project sole funding and \$1.35 million in cash payments to Southern Hemisphere.

The agreement is consistent with Southern Hemisphere's strategy of securing partners to progress exploration at key projects within its portfolio. It is the third farm-in agreement secured by the Company in the past seven months, following its landmark farm-in deals with Lundin Mining Corporation at the Llahuin Copper/Gold Project and Anglo American at the Chitigua Copper Project.

Exploration on both of these Projects is currently being sole funded by Lundin Mining and Anglo American.

Southern Hemisphere's Managing Director Trevor Tennant said that he was pleased that the Company's joint venture strategy was continuing to deliver excellent results. He said:

"We are pleased to have signed this option deal with Midwinter Resources, and we look forward to working with them at Mantos Grandes. Southern Hemisphere holds many prospective project areas in Chile and with three of our Projects now being sole funded by third parties, this puts us in a strong position in the current challenging equity market environment."

Midwinter's farm-in payment obligations to obtain a 65% interest in the Project, after completing their due diligence and obtaining shareholder approval during a 60 day due diligence period are:

- \$350,000 to be paid to Southern Hemisphere on execution of the farm-in agreement;
- within 6 months of the execution of the farm-in agreement, Midwinter will sole fund \$400,000 of expenditure on Mantos Grandes;
- if Midwinter elects to proceed further, Midwinter will sole fund an additional \$600,000 of expenditure on Mantos Grandes within a further 6 months;
- if Midwinter elects to proceed further, Midwinter will sole fund an additional \$500,000 of expenditure on Mantos Grandes within a further 6 months; and
- upon completion of the above milestones, Midwinter will make a final payment of \$1,000,000 to Southern Hemisphere in immediately available funds.



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Midwinter have issued a full ASX announcement which is available on Southern Hemisphere's web site.

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About Southern Hemisphere Mining Limited

Southern Hemisphere Mining Limited is listed on the Australian Stock Exchange (ASX Code “**SUH**”) and the Toronto Stock Exchange –Venture (TSX-V Code “**SH**”). Southern Hemisphere has accumulated a diverse portfolio of assets in **Chile, South America**. The Company's focus is the **100% owned Llahuin Copper/Gold Project** where the objective is to build a bulk tonnage **Copper/Gold operation**. The Company also holds the **100% owned Chitigua Copper Project**, a 172 km² property located on the prestigious Western Fault which hosts Chile's largest copper porphyry deposits. Further details on Southern Hemisphere can be found at www.shmining.com.au

