SOUTHERN HEMISPHERE mining limited

ASX RELEASE
November 6, 2013

Australian Securities Exchange
Level 8
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sir/Madam

September 2013 Management Discussion and Analysis ("MD&A")

Please refer below for the September 2013 MD&A of Southern Hemisphere Mining Limited, as issued in Canada.

This document should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three month periods ended September 30, 2013 and 2012.

Yours faithfully

Derek Hall
Company Secretary

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE 3 MONTHS ENDED SEPTEMBER 30, 2013

(All amounts stated in United States dollars, unless otherwise indicated)

This MD&A contains certain "Forward-Looking Statements", which are prospective and reflect management's expectations regarding Southern Hemisphere Mining Limited's ("SHM", "Southern Hemisphere" or the "Company") future growth, results of operations, performance and business prospects and opportunities. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All statements, other than statements of historical fact, included herein, including without limitation statements regarding potential mineralization and reserves, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, exploration results and future plans and objectives of SHM are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from SHM's expectations are disclosed in its documents filed from time to time with the TSX Venture Exchange and other regulatory authorities and include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore to be mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. SHM undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Background

This discussion and analysis of consolidated operating results and financial condition is prepared as at November 6, 2013 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes of the Company for the three months ended September 30, 2013. (“September 2013 Financial Statements”). The September 2013 Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). This management discussion and analysis (“MD&A”) has been prepared in United States dollars, except where otherwise indicated by reference to Canadian dollars (“CAD”), Australian dollars (“AUD”) or Chilean pesos (“CLP”). Additional information relevant to the Company’s activities can be found on SEDAR at sedar.com.

Company Overview

The Company’s common shares trade on the Toronto Stock Exchange – Venture (“TSXV”) under the symbol “SH” and on the Australian Securities Exchange (“ASX”) under the symbol “SUH”.

The Registered Office of the Company is located at Suite 7, 1200 Hay Street, West Perth, Western Australia, Australia. The Company also maintains an office in Santiago, Chile.

The Company is an exploration and mine development company focused on large tonnage base metal opportunities in Chile, with the stated strategy of creating shareholder value through the discovery and exploitation of mineral deposits.

During 2013, the Company transferred (re-domiciled) its incorporation from Canada to Australia. This change is expected to result in more efficiency in day-to-day management of the Company and more correctly reflect that the Company is managed from Australia. The Company has also made applications to delist from the TSXV, with the Company to be solely traded on the ASX going forward. The Company expects the delisting from the TSXV to be effective from November 11, 2013.

Project overview

The Company holds numerous prospective copper/gold project areas and following a review of these project areas, priority has been given to the Llahuin Copper/Gold Project (“Llahuin Project”), situated 250 km north of Santiago, Chile and a stand-alone copper project at Chitigua, located 90 km north of Calama, Chile.

On November 5, 2012 the Company entered into a farm-in option agreement on the Llahuin Project with Lundin Mining Corporation (“Lundin Mining”). The arrangement provides for substantial funding, potentially for the next six years, to advance the Llahuin Project towards development.

On January 31, 2013 the Company entered into a farm-in option agreement on the Chitigua, Carboneras and Meteoritica exploration projects with Anglo American Norte SA, a Chilean subsidiary of Anglo American plc (“Anglo American”). The arrangement provides for substantial funding, potentially for the next five years, to advance the Chitigua Copper Project (“Chitigua Project”) towards development.

On September 26, 2013 the Company entered into a farm-in option agreement on the Mantos Grandes Copper/Gold Project (“Mantos Grandes Project”) with Cobre Montana NL (ASX:CXB) (“Cobre”). The arrangement provides cash payments of up to AUD$1.35 million to the Company while Cobre embarks on an 18 month sole funded exploration campaign of up to AUD$1.50 million to earn a 65% interest in the Mantos Grandes Project.

Projects Update

Llahuin Project

In July 2011, the Company entered into an option agreement to purchase the Llahuin Amapola 1-4 copper/gold properties, which cover an area of 7.72 square kilometres, located within the Combarbala area of central Chile. Refer to the News Releases lodged on SEDAR on July 13, 2011 and July 14, 2011 detailing this acquisition.

On July 25, 2012 the Company announced the acquisition of the adjoining Amapola I-II licences, which cover an area of 6 square kilometres. These Llahuin Project exploitation licences have similar geological characteristics to the Teck Resources Limited's Carmen de Andacollo copper mine, located 120 km to the north.

The Llahuin Project has a number of distinct zones of mineralisation. The main target has been the Central Porphyry, which contains the bulk of the currently defined Llahuin Project Resources. Also targeted are the Cerro de Oro and Ferrocarril Zones which contain porphyry bodies.

On July 3, 2013, the Company announced an updated JORC resource for the Llahuin Project which was based on 54,520m of drilling. As shown in the table below the Measured and Indicated Resource totals **149 million tonnes with a grade of 0.41% Cu equivalent**. Inferred Resources of 20 million tonnes with a grade of 0.36% Cu equivalent were also identified.

TOTAL MEASURED AND INDICATED RESOURCES					
Resource (at 0.28% Cu Equiv cutoff)	**Tonnes million**	**Cu %**	**Au g/t**	**Mo %**	**Cu Equiv***
Measured	112	0.31	0.12	0.008	0.42
Indicated	37	0.23	0.14	0.007	0.37
Measured plus Indicated	**149**	**0.29**	**0.12**	**0.008**	**0.41**
Inferred	20	0.20	0.19	0.005	0.36

*Copper Equivalent ("Cu Equiv")
The copper equivalent calculations represent the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. It is the Company's opinion that elements considered have a reasonable potential to be recovered as evidenced in similar multi-commodity natured mines. Copper equivalent conversion factors and long-term price assumptions used are stated below:

Copper Equivalent Formula= Cu % + Au (g/t) x 0.72662 + Mo % x 4.412
Price Assumptions- Cu (US$3.40/lb), Au (US$1,700/oz), Mo (US$15/lb)

A total of 33,732m of Reverse Circulation ("RC") drilling in 188 holes and 20,788m of diamond core drilling in 59 holes were used for the above resource estimation.

As per the News Release dated October 16, 2012, the Company signed a Terms Sheet with Lundin Mining who are a diversified Canadian base metals miner with operations in Portugal, Sweden, Spain and Ireland producing copper, zinc, lead and nickel. Under the agreement terms, Lundin Mining will spend up to $35 million on exploration at the Llahuin Project to earn a direct stake of up to 75% over a maximum six-year period.

Additionally, the Company arranged a private placement to Lundin Mining or its nominees of 19,800,000 Common Shares at a subscription price of CAD$0.25 per share to raise $5,000,000*.
*Agreed rate of USD$1.00 : CAD$0.99; CAD$0.25 x 19,800,000 shares = CAD$4,950,000 = USD$5,000,000

On November 5, 2012, the Company announced the formal execution of the Llahuin Project farm-in by Lundin Mining and the successful closing of the private placement.

On January 14, 2013, the Company announced the completion of the purchase of the Llahuin Amapola 1-4 licences under the Option Agreement dated July 8, 2011 (“Llahuin Option Agreement”). Under the terms of the Llahuin Option Agreement, the Company made a final cash payment of $1.285 million to the vendor and as a result is the legal owner of the licences. The total consideration paid under the Llahuin Option Agreement was $1.875 million.

On February 4, 2013, the Company announced the completion of the purchase of the La Colina 2 exploitation licence under the Option Agreement dated January 31, 2012 (“La Colina 2 Option Agreement”). Under the terms of the La Colina 2 Option Agreement, the Company made a final cash payment of $140,000 to the vendor and as a result is the legal owner of the licence. The total consideration paid under the La Colina 2 Option Agreement was $300,000.

Also on February 4, 2013 the Company announced the execution of a 30 year easement agreement with the El Espino Community over 25 square kilometres, which includes the Llahuin Amapola licence areas. Refer News Release dated February 6, 2013 for full details of the agreement.

On May 16, 2013, the Company announced that Lundin Mining had completed its initial expenditure commitments and moved forward to the next phase of sole funded expenditure.

Llahuin Satellite Project

- *La Colina 2*

  On January 31, 2012, the Company signed an option to purchase agreement with Minera Fuego Limitada, to evaluate and purchase the La Colina 2 licence, consisting of a granted exploitation licence covering an area of 2.59 square kilometres. As noted above, the Company has completed the purchase of the exploitation licence. This area is considered to be prospective as an additional source of mineralisation for the Llahuin Project and is subject to the farm-in arrangement with Lundin Mining.

Chitigua Project

The Chitigua Copper Project is located on the highly prospective western fault, north of Chuquicamata between the El Abra mine and the Quebrada Blanca Mine. This metallogenic zone includes the Escondida mine.

The Chitigua concession covers an area of approximately 172 square kilometres and is located 270 km NE of the Antofagasta city and port and 90 km north of the city of Calama, an established mining town.

Due to the size of the Project and the associated high exploration costs, the Company sought expressions of interest from major companies for a joint venture or farm-in. On February 6, 2013, the Company announced that it had entered into a farm-in option agreement with Anglo American with respect to the Chitigua, Carboneras and Meteoritica exploration projects.

Under the agreement terms, Anglo American may spend up to $25 million on exploration at the Chitigua, Carboneras and Meteoritica exploration projects to earn a direct stake of up to 75% over a maximum five-year period. Refer News Release dated February 6, 2013 for full details of agreement.

Mantos Grandes Project

The Mantos Grandes Project is situated in the Central Andes, approximately 80kms from the town of Ovalle, which is the capital of Limari Province. The concession area covers 52 square kilometres and contains high-grade copper/gold skarns. Small scale production occurred in the late 1990s using a 200t per day milling and floatation circuit.

Under the farm-in option arrangement, Cobre can earn a direct stake of up to 65% equity in the Mantos Grandes Project for total expenditure of AUD$2.85 million over an 18 month period consisting of AUD$1.50 million project sole funding with an initial committed spend of AUD$400,000 (works will include a review of all historic data and selection of exploration targets) and AUD$1.35 million in cash payments to Southern Hemisphere.

During the quarter, a progress payment of AUD$350,000 was received from Cobre per the terms of the arrangement and was applied against the cost base of the Project. Refer News Releases dated May 27, 2013 and September 30, 2013.

Los Pumas Manganese Project

The Los Pumas Manganese Project in northern Chile is located 175 km inland from the port of Arica and is a multiple layered tabular style occurrence with a surface expression over 3.6 km in length. It is the subject of a completed Preliminary Economic Assessment and awaits water supply agreements and completion of final pit plans and a favourable feasibility study.

On August 22, 2013 the Company announced that its Environmental Impact Statement for the Los Pumas Manganese Project had been approved by the relevant Chilean authorities. Although, current manganese market conditions have reduced the priority of the Project in the Company’s plans this approval allows the Company to proceed with development of the Project in the future, when market conditions improve its economic viability.

Other Projects

Since the Llahuin Project has been given priority in the Company’s plans, apart from the agreements on Chitigua and Mantos Grandes, there has been minimal activity on the other copper/gold projects or the Chanco iron sands project.

With the completion of successful optioning of the Llahuin, Chitigua and Mantos Grandes Projects, the Company will look to add value on its other existing projects as well as seek new opportunities in the Coquimbo region which holds the Llahuin Project.

Future Developments

The main focus of the Company will be to work with Lundin Mining to advance the Llahuin Project and jointly explore and acquire additional copper/gold prospects within the Coquimbo region. Regarding potential acquisitions, initial works including IP surveys and rock chip sampling have been conducted and the Company expects to soon be in a position to acquire prospects with good indications of mineralisation. The Company will advise in due course.

During the farm-in period, Southern Hemisphere is the manager of the Mantos Grandes Project and will provide some services to Cobre with the proposed exploration program.

Selected Financial Data

The following selected financial information is derived from the September 2013 Financial Statements.

Results of Operations:

	September 30, 2013 (3 months) $	September 30, 2012 (3 months) $
Income	116,519	25,571
Expenses *(1)*	738,243	1,281,503
Net loss	(621,724)	(1,255,932)
Dividends per share	Nil	Nil
Basic and diluted loss per share	(0.004)	(0.008)

(1) *Expenses are shown net of foreign exchange differences. Historical results have been converted to $USD.*

During the three month period ended September 30, 2013 the Company reported a net loss of $621,724 compared to a net loss of $1,255,932 in the three month period ended September 30, 2012.
Specific items of note during the period ended September 30, 2013 include: -

1. Salaries and wages (Current quarter: $381,523, September 2012 quarter: $799,993): These costs are largely consistent between the years however in the prior period, a share based payments expense for the issuance of options to directors and employees was recognised. This share based payments expense amounted to $389,455.

2. During the current period, the Company received $107,749 as other income. This amount was received in management fees for acting as operator of the Llahuin Project in joint operations with the Company's partner Lundin Mining, see further details below. Additionally, the Company received AUD$350,000 from Cobre as a progress payment under the terms of the Mantos Grandes farm-in agreement. This amount was not recognised as income but applied against the cost base of the Mantos Grandes Project.

   In the prior period, the Company received no management fees but earned interest income of $25,571.

3. Also in the prior period, the Company recognised an impairment expense of $282,415 representing the write off of a tax credit recognised within the Chilean subsidiaries as a result of exploration activities. This expense was only $7,963 in the current period, a reflection of timing and that the bulk of exploration activities are being funded by the Company's partners.

The following is a summary of certain consolidated financial information concerning the Company for each of the last eight reported quarters:

	30 Sep 13 $	30 Jun 13 $	31 Mar 13 $	31 Dec 12 $	30 Sept 12 $	30 Jun 12 $	31 Mar 12 $	31 Dec 11 $
Income	116,519	163,421	378,187	87,665	25,571	130,694	101,323	204,582
Expenses	738,243	4,740,962	951,704	871,804	1,281,503	1,512,946	895,256	1,107,234
Net gain (Loss)	(621,724)	(4,577,541)	(573,517)	(784,139)	(1,255,932)	(1,382,252)	(793,933)	(902,652)
Basic & diluted loss per share	(0.004)	(0.027)	(0.003)	(0.005)	(0.008)	(0.010)	(0.005)	(0.006)

Financial Condition

	September 30, 2013 $	September 30, 2012 $
Working capital	1,163,992	1,726,537
Total assets	31,104,899	32,551,496
Total liabilities	332,006	377,164
Deficit	(19,631,546)	(13,074,625)

Mineral exploration costs comprise the bulk of the Company's expenditures. The cumulative costs of exploration expenditures capitalised for each project are set out in Note 5 of the September 2013 Financial Statements. Details of exploration activities conducted during the quarter on the key projects are described in the "Projects Update" (from page 2).

Under the terms of the respective farm-in agreements entered into by the Company i.e. Llahuin Project farm-in with Lundin Mining and the Chitigua/Carboneras/Meteoritica Projects farm-in with Anglo American; going forward, exploration works are **solely funded by the Company's partners at their option, to a total value of up to $60 million**, therefore minimal funds are required from the Company to progress these Projects. Further details of the farm-in arrangements are provided below.

Liquidity and Capital Resources

At September 30, 2013, the Company had a net working capital balance of $1,163,992. The following table summarises the Company's cash and cash equivalents on hand, cash flows and contributed surplus for the periods ended September 30, 2013 and 2012 (three months).

	September 30, 2013 $	September 30, 2012 $
Cash and cash equivalents	1,328,158	2,022,134
Cash used in operating activities	485,019	863,591
Cash used in investing activities (provided by)	(98,544)	1,151,920
Cash used in / (provided by) financing activities	-	-

The Company believes that with the assistance of its farm-in arrangement partners, it currently has sufficient financial resources to conduct anticipated exploration programs and meet anticipated corporate administration costs for the remainder of the financial year. However, exploration activities may change due to ongoing results and recommendations, or the Company may acquire additional properties, which may entail significant funding or exploration commitments. In the event that the occasion arises, the Company may be required to obtain additional financing. The Company has no debt financing and has relied solely on equity financing to raise the requisite financial resources. While it has been successful in the past, there can be no assurance that the Company will be successful in raising future financing should the need arise.

Commitments

In order to maintain the Company's mineral properties in good standing, the Company is required to make certain annual fee payments to Chilean mining authorities based on the concessions it holds. These payments amount to approximately $290,000 during the next 12 months.

The Company is from time to time involved in various claims, legal proceedings and complaints arising from the ordinary course of business.

The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

For further details refer to "Proposed Transactions" (below).

Previous Financings

On October 27, 2010, the Company announced the successful completion of a capital raising which was approved by shareholders. The capital raising, comprising the issue of approximately 47.6 million new fully paid ordinary shares at a price of AUD$0.42 per share to raise AUD$20 million before costs, was made to institutional and sophisticated investors in three tranches.

These funds were raised to support a two year exploration program on the Company's copper / gold concessions as well as works on the Los Pumas Manganese Project and exploration of the Company's iron sands project. The funds were applied for these purposes.

Following the closure of the private placement to Lundin Mining on November 1, 2012, the Company receipted USD $5,000,000. These funds were intended to progress the Llahuin Project and to provide for corporate overheads. To date, the funds have been applied to these purposes.

Proposed Transactions

Llahuin Project Farm-in Option Agreement

Following the formal completion of farm-in arrangements between the Company and Lundin Mining, a joint venture company has been incorporated to hold the Llahuin Project in Chile and a technical committee established.

Lundin Mining will fund the Llahuin Project expenditures in stages with an initial commitment of $3 million to be spent within three years from November 1, 2012.

A further $3 million from the proceeds of the placement to Lundin Mining was spent by the Company on the Llahuin Project, providing a total initial committed expenditure of $6 million which was expended by the June quarter of 2013.

After the total initial expenditure commitment is completed, Lundin Mining have the option to sole fund a further $10 million towards Llahuin Project expenditures within three years from November 1, 2012 to earn a cumulative undivided 51% interest in the Llahuin Project.

After completing this earn-in, Lundin Mining has the option to sole fund an additional $10 million within one year to earn a further 14% interest for a total undivided 65% interest in the Llahuin Project.

Following this earn-in, Lundin Mining has the option to sole fund the last additional earn-in by spending a further $12 million, within three years of obtaining a 51% interest, to earn an additional 10% interest in the Llahuin Project for a total undivided 75% interest in the Llahuin Project.

Chitigua/Carboneras/Meteoritica Projects Farm-in Option Agreement

The key terms of the agreement with Anglo American include a $50,000 payment to Southern Hemisphere upon signing the agreement and payments of $150,000 per year for up to three years, resulting in a total of $500,000 to be paid on or before 31 January 2016.

If Anglo American continues thereafter with the agreement to earn a 75% interest in the projects, it is required to pay an additional US$150,000 per year for two years.

The First Exploration Period requires committed expenditure by Anglo American of $1.5 million for in-ground exploration, including a minimum of 3,000m of drilling within 18 months of signing the agreement.

Should Anglo American continue with the agreement, it will then be required to spend a further $8.5 million on in-ground exploration to earn 60% equity in a locally incorporated company ("Minera Chitigua") that will hold the Chitigua, Carboneras and Meteoritica exploration projects. This aggregate spend of US$10 million has to be achieved within 36 months of signing the agreement.

Anglo American then has the option for a Second Exploration Period to earn a further 15% equity in Minera Chitigua by spending an additional $15 million on exploration works. This expenditure has to be achieved within a further 24 months. Southern Hemisphere has no obligation to spend any funds on exploration or concession maintenance costs until Anglo American has achieved a 75% equity position in Minera Chitigua.

Mantos Grandes Farm-in Option Agreement

On September 26, 2013, the Company executed a farm-in arrangement with Cobre for the Mantos Grandes Project. Per the arrangement, Cobre can earn a 65% interest in the Mantos Grandes Project for a total expenditure of AUD$ 2.85 million, made up of AUD$1.50 million in Project sole funding and AUD$1.35 million in cash payments to Southern Hemisphere.

<u>Changes in Accounting Policies</u>

Please refer to the September 2013 Financial Statements lodged on SEDAR for a complete description of the Company's critical accounting policies.

Australian Accounting Standards ("AASBs")

The September 2013 Financial Statements have been prepared in accordance with the requirements of AASBs adopted by the Australian Accounting Standards Board ("AASB"), other authoritative pronouncements of the AASB, and the Corporations Act 2001.

The Company's date of transition to the AASBs was July 1, 2011. The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current reporting period. The adoption of these amendments has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior periods.

The September 2013 Financial Statements have been prepared in accordance with IFRS.

Critical Accounting Policies, Estimates and Judgments

Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenues earned and expenses incurred during the period. These estimates are based on historical experience and other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. Significant areas where management judgment is applied include but are not limited to, the following:

- recoverability of capitalized exploration and evaluation expenditure;
- recognition of deferred tax balances;
- valuation of options and warrants; and
- the ability to continue as a going concern.

In the opinion of management, all adjustments necessary for fair presentation of the results for the periods presented are reflected in the September 2013 Financial Statements.

Financial Instruments

Fair value of financial assets and liabilities

The consolidated statements of financial position carrying amounts for cash and cash equivalents, approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments. Refer to the September 2013 Financial Statements for disclosures related to Financial Instruments.

Transactions with Related Parties

Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the three month periods ended September 30, 2013 and 2012 are as follows:

	September 30, 2013 $	September 30, 2012 $
Short term benefits	187,025	240,278
Post employment benefits	13,044	16,389
Share based payments*	-	280,479
	200,069	537,146

Dividends

The Company has not paid any dividends in the past and does not anticipate paying dividends in the near future.

Risks & Uncertainties

Risks and uncertainties associated with the Company's operations are substantially unchanged from the previous quarter. Please refer to the Company's 2013 Annual Information Form for detailed information on Company specific risks and uncertainties.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without a par value. As at September 30, 2013 there were 172,892,487 issued and outstanding common shares.

In addition, as at September 30, 2013, there were 4,200,000 stock options outstanding, with an exercise price of AUD$0.21. Details of common shares issued during the period are disclosed in full in the September 2013 Financial Statements.

Escrowed Shares

At September 30, 2013, the Company had no shares in escrow on the TSXV or the ASX.

Licences and Permits, Laws and regulations

The activities of the Company require permits from various government authorities, and are subject to Chilean national and provincial laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety standards, mine safety standards and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. These regulations were largely unchanged during the quarter.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer has concluded that the Company's disclosure controls and procedures, as defined in Multilateral Instrument 52-109 – Certification of Disclosure in Issuer's Annual and Interim Filings, are effective to ensure that the information required to be disclosed in reports that are filed or submitted under Canadian Securities legislation are recorded, processed, summarized and reported within the time period specified in those rules. In conducting the evaluation it has become apparent that management relies upon certain informal procedures and communication, and upon "hands on" knowledge of senior management.

Due to the small number of staff, however, the Company will continue to rely on an active Board and management with open lines of communication to maintain the effectiveness of the Company's disclosure controls and procedures. Lapses in the disclosure controls and procedures could occur and/or mistakes could happen. Should such occur, the Company will take whatever steps necessary to minimize the consequences thereof.

Internal Controls and Procedures over Financial Reporting

Internal control over financial reporting ("ICFR") is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and its compliance with IFRS in its financial statements. The Chief Executive Officer and the Chief Financial Officer have evaluated whether there were changes to the Company's ICFR during the period ended September 30, 2013 that have materially affected, or that are reasonably likely to materially affect, its ICFR. No such changes were identified through their evaluation.

--ENDS--

For further information please contact:

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– Clark Kent (Corporate Communications) + 1 (416) 883 3838

Competent Person / Qualified Person Statement

Mr Trevor Tennant, Managing Director of Southern Hemisphere Mining Limited, is a Fellow of the Australasian Institute of Mining and Metallurgy, is a 'Competent Person' as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and is a 'Qualified Person' under National Instrument 43-101 - 'Standards of Disclosure for Mineral Projects'. Mr Tennant has reviewed the design and conduct of this resource drilling campaign, supervised the preparation of the technical information in this release and has the relevant experience and competence of the subject matter. Mr Tennant consents to the inclusion of exploration results and other such information in this MD&A in the form and context in which it appears.

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 (TSXV Code "**SH**"). Southern Hemisphere has accumulated a diverse portfolio of assets in **Chile, South America**. The Company's focus is the **Llahuin Copper/Gold Project** which is being developed in conjunction with **Lundin Mining Corporation** (TSX: LUN, OMX: LUMI). The Company also holds the **Chitigua Project**, which is being explored in conjunction with **Anglo American**, covers an area of 172 km^2 and is 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