



LLAHUIN COPPER PROJECT EXTENDED with HIGH GRADE DRILLING RESULTS FROM RECONNAISSANCE DRILL PROGRAMS AT “MINA SAN FRANCISCO” and “LA COLINA 2” SATELLITE PROSPECTS

CONTINUING CENTRAL HUB STRATEGY - TARGETING ADDITIONAL SATELLITE COPPER/GOLD DEPOSITS

Highlights:

- Title clearance obtained finalising the option arrangements for La Colina 2, the second satellite prospect, located 10 km north - west of Llahuin
- Scout drilling completed with 4 RC drill holes at both La Colina 2 and Mina San Francisco
- Highlights from initial RC drill program at La Colina 2 satellite prospect include:
 - RC C2 002 20m @ 1.35% Cu Equivalent* from 34m
 - RC C2 003 70m @ 0.66% Cu Equivalent from 24m; includes
16m @ 1.50% Cu Equivalent from 54m
 - RC C2 004 28m @ 0.56% Cu Equivalent from 22m
- Highlights from initial RC drill program at Mina San Francisco satellite prospect include:
 - RC SF 002 22m @ 0.66 Cu Equivalent from 10m
 - RC SF 003 26m @ 0.53 Cu Equivalent from 128m
 - RC SF 003 20m @ 1.22 Cu Equivalent from 180m
- Significant potential to define additional mineral resources from Llahuin satellite prospects

International mining company **Southern Hemisphere Mining Limited** (ASX: SUH, TSX-V: SH) (“Southern Hemisphere” or the “Company”) is pleased to announce the completion of option arrangements at **La Colina 2** and the initial drilling results from its first two Llahuin satellite prospects at **Mina San Francisco** and **La Colina 2**. Both these prospects are within a 10 km radius of its flagship **Llahuin Copper Project**, located 250 km north of Santiago in central Chile, which has a previously announced **measured and indicated mineral resource of 106 million tonnes at 0.4% copper equivalent*** (0.3% Cu and 0.09 Au g/t; refer 3 April 2012 ASX and TSX-V News Release for full details).

Southern Hemisphere’s Managing Director, **Mr. Trevor Tennant**, said the Company continues with its strategy to add to the Llahuin Copper Project resource tonnage and grade by pursuing satellite opportunities within economic haul distances from Llahuin. Our objective is to define an operation **capable of producing 45-50,000 tpa of copper metal plus gold credits at world competitive operating costs.**

He added that **“The first drill results from the two satellite prospects have been very encouraging with positive indications of higher grade mineralization that we will follow up with further drilling programs. These satellite prospects do not need to have stand alone tonnages as the Company’s strategy is to consider these deposits as providing supplemental feed to a proposed central processing hub at the Llahuin Copper Project”.**



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Map showing the Llahuin Copper Project and the satellite prospects at La Colina 2 and Mina San Francisco



La Colina 2

On 31 January 2012, subject to title clearance, the Company signed an option to purchase agreement with Minera Fuego Limitada ("Minera Fuego"), to evaluate and purchase the La Colina 2 concession, consisting of a granted exploitation concession covering an area of 259 hectares.

Under the terms of the purchase option agreement, Minera Panamericana SCM, a 100% owned Chilean subsidiary of Southern Hemisphere, may evaluate and acquire the La Colina 2 exploitation concession on total payment to Minera Fuego of Chilean Peso 150 million (approximately USD \$300,000) in four tranches over a 12 month period. To date Chilean Peso 40 million (approximately USD \$80,000) has been paid. In addition, Minera Fuego will obtain a 1.5% Net Smelter Royalty on revenue generated from any production from the La Colina 2 concession area. The Company at its sole discretion may withdraw from this option agreement at any time during the 12 month purchase option period.

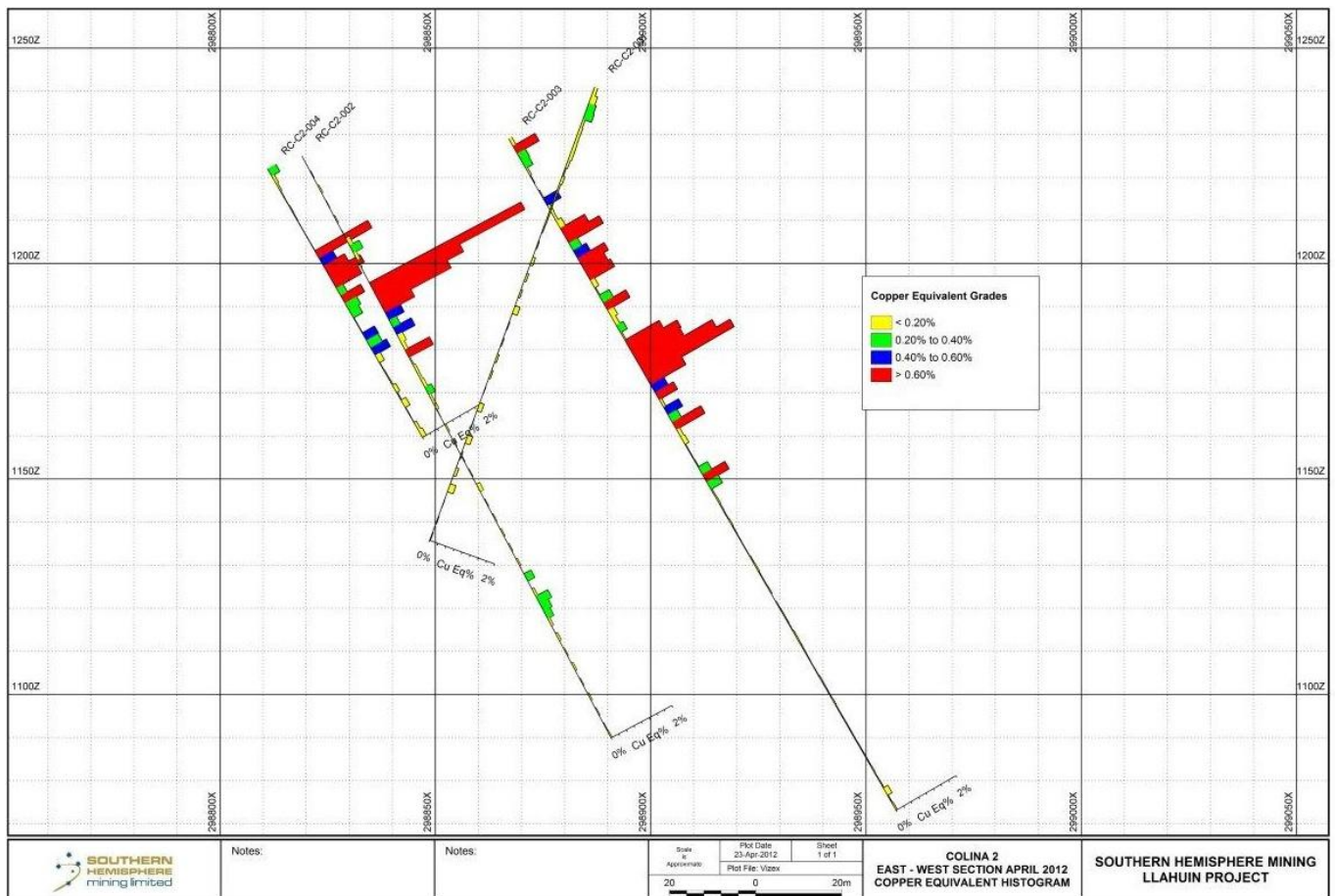
On this transaction Mr. Tennant commented **"the clearance of concession title has been received and an initial drilling programme completed. The drilling program, consisting of four reverse circulation ("RC") holes, was conducted over a seven day period commencing 9 February 2012 and from the analysis of results, three of the four holes drilled showed outstanding high grades"**



Significant intercepts (La Colina 2) from the three positive drill holes:**

Hole ID	Intersect m	From m	%Cu	g/t Au	%Cu Equiv*
RC-C2-002	20	34	1.18	0.24	1.35
Includes	14	34	1.65	0.18	1.78
RC-C2-003	70	24	0.56	0.12	0.66
Includes	14	24	0.70	0.05	0.74
Includes	16	54	1.50	0.05	1.50
RC-C2-004	28	22	0.51	0.07	0.56

La Colina 2 - section showing the mineralized drill holes:



Details of La Colina 2 drill hole locations:

Hole ID	X	Y	Z	Total Depth	Azimuth	Dip
RC-C2-001	298887	6537243	1241	112	270	-70
RC-C2-002	298819	6537243	1225	156	67	-60
RC-C2-003	298867	6537295	1229	180	90	-60
RC-C2-004	298811	6537304	1222	72	90	-60
Total m				520		



Previous exploration activity

Previously, Minera Fuego had completed considerable exploration works including mapping, IP and ground magnetic surveys and the drilling of 13 RC holes for a total of 3,705m and 4 diamond drill holes for a total of 1,048m. The prospect has also been subject to small scale mining activity.

La Colina 2 - Drilling



La Colina 2 - Geology

This prospect is located 10km NW of the Llahuin Copper Project in Region IV, Coquimbo.

The mineralization encountered by the reconnaissance drilling program was largely in volcanic sediments and adjacent dioritic intrusives. There is widespread evidence of propylitic and sericitic alteration with abundant magnetite.

The mineralization is associated with North-North-West oriented faults and could be of an IOCG (Iron oxide copper gold) type mineralisation.



Mina San Francisco

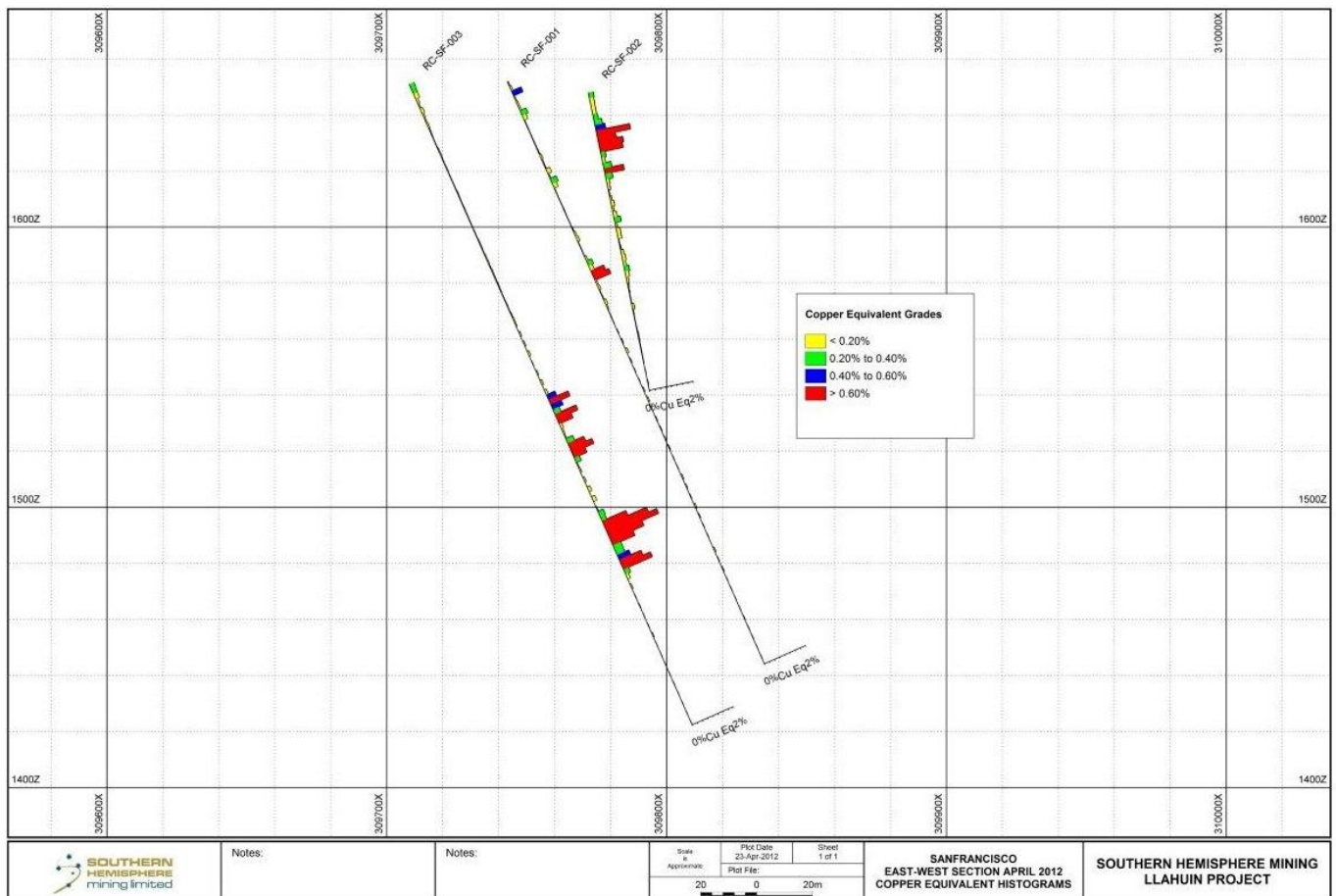
On 14 February 2012, the Company entered into an option to purchase agreement for the Mina San Francisco exploitation concessions. (Refer 6 March 2012 ASX and TSX-V News Release for full details).

Since this date the Company has completed an initial four hole RC drilling campaign. Three of the holes returned significant results.

Significant intercepts (Mina San Francisco) from the three positive drill holes:**

Hole ID	Intersect m	From m	Cu%	g/t Au	Cu Equiv.*
RC-SF-001	8	74	0.45	0.01	0.46
RC-SF-002	22	10	0.65	0.01	0.66
RC-SF-003	26	128	0.52	0.01	0.53
RC-SF-003	20	180	1.21	0.01	1.22

Mina San Francisco - section showing the mineralized drill holes:



Details of Mina San Francisco drill hole locations:

Hole ID	X	Y	Z	Total Depth	Azimuth	Dip
RC-SF-001	309743	6542925	1652	240	50	-60
RC-SF-002	309772	6542945	1648	110	50	-75
RC-SF-003	309708	6542919	1651	264	50	-60
RC-SF-004	309872	6542733	1669	170	230	-60
Total m				784		

Mina San Francisco - Geology

The prospect is located approximately 10 km north of the Llahuin Copper Project in Region IV of Coquimbo Province, Limari Combarbala Commune. Access is from Combarbala, on an unsealed road.

The rocks of this area are subhorizontal volcanic sedimentary sequences of andesitic composition. The prospect contains wide medium to coarse grained porphyritic lava flows that are in some areas brecciated showing stockworks with abundant calcium carbonate, copper oxides and chalcocite mineralization. The mineralized zone shows evidence of albitic alteration.

Four RC drill holes were completed and confirmed the presence of high grade copper intercepts associated with receptive brecciated host rocks. The mineralization occurs as strata bound mantles and as subvertical feeder veins. The mineralization strikes at North 25 to 30 degrees West.

*Copper Equivalent (“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= $\text{Cu \%} + \text{Au (g/t)} \times 0.72662$
Price Assumptions- Cu (US\$3.40/lb), Au (US\$1,700/oz)

**Significant Intercepts

Other holes and intercepts in this News Release that are not highlighted were insignificant or generally had a copper equivalent of less than 0.24%. Anomalous intercepts of less than 6m and 0.40% copper equivalent were also not reported as highlights.

Sampling and Analysis Procedures

5kg samples were taken from each two metre interval. The samples are derived from riffle splitting each intercept. The samples were sent to Andes Analytical Assay Ltda (Chile) in Santiago for sample preparation and analysis. Duplicate samples were taken on a 1 in 20 basis.



Analysis was undertaken using fire assay with an atomic absorption spectrometry finish. Andes Analytical Assay Ltda (Chile) is an independent full service commercial laboratory accredited under ISO 9001:2008. Standard samples and repeat analyses were used by the laboratory to provide checks on the assay results.

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Competent Person / Qualified Person Statement

Mr Ian Dreyer, Principal Geologist of Andes Mining Services, is a Chartered Professional Member 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. Dreyer 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. Dreyer consents to the inclusion of exploration results and other such information in this News Release in the form and context in which it appears.

