



## Eighth Profit Distribution - of \$0.65m - from Cannon gold mine, WA

- Eighth profit distribution of \$0.65 million received
- Total of \$13.65 million now received-to-date from Cannon
- Final account settlement and distribution to be done shortly

### Further \$0.65 Million Profit Share Distribution Received

The Directors of gold producer and explorer, Southern Gold Ltd ('Southern Gold') are pleased to advise the payment of the eighth profit share distribution from the Company's Cannon gold mine southeast of Kalgoorlie in Western Australia's Eastern Goldfields. **The Cannon gold mine operations committee resolved to pay a further \$1.3 million in profit distributions, or \$0.65 million to Southern Gold as its 50% profit share.** This takes total payments to Southern Gold from Cannon since December 2016 to \$13.65 million.

There now remains only very minor final costs to be reconciled and the final cash distribution is now anticipated to be in the next few months. Currently this final payment to Southern Gold is anticipated to be slightly less than \$0.1 million.

### Cannon Underground Mine Update

A revised JORC resource for the mineralisation defined below the open pit will be announced very shortly.

Discussions with various potential development partners has begun and further details on a projected economic outcome from the Cannon underground phase will be announced after these discussions are more advanced.

### Status of Other Projects in Kalgoorlie

Southern Gold has commenced drilling at the Glandore Project, where the initial part of the programme is targeting the Lake Consols trend with results expected in 3-4 weeks' time.

Preparations for drilling at the Cowarna Project are also well advanced. The Company has had to prepare some additional materials to satisfy government regulations but once these are approved by the relevant department drilling will commence on this project as soon as possible.

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### **Southern Gold Limited: Company Profile**

*Southern Gold Ltd is a successful gold explorer and producer listed on the Australian Securities Exchange (under ASX ticker "SAU"). The Company's main focus is its Bulong Gold Project located 30 km east of the world renowned gold district of Kalgoorlie (WA) with the flagship Cannon Gold Mine. An underground mining phase at Cannon is currently being assessed.*

*Southern Gold is also exploring at projects such as Glandore, Transfind Extended and Cowarna, looking for additional small high grade open pit-able gold resources and potential new discoveries.*

*In addition to its cornerstone position in Kalgoorlie, Southern Gold owns a portfolio of high grade gold projects in South Korea. These projects are a combination of decommissioned gold mines with orogenic gold mineralisation and greenfield epithermal gold targets. Southern Gold's aim is to move one or more of the orogenic gold mines such as Gubong and Taechang into production in the short to medium term utilising the technical expertise of its joint venture partner and London Stock Exchange listed Bluebird Merchant Ventures Limited as well as explore for world-class epithermal gold deposits.*

### **Forward-looking statements**

*Some statements in this release regarding estimates or future events are forward looking statements. These may include, without limitation:*

- *Estimates of future cash flows, the sensitivity of cash flows to metal prices and foreign exchange rate movements;*
- *Estimates of future metal production; and*
- *Estimates of the resource base and statements regarding future exploration results.*

*Such forward looking statements are based on a number of estimates and assumptions made by the Company and its consultants in light of experience, current conditions and expectations of future developments which the Company believes are appropriate in the current circumstances. Such statements are expressed in good faith and believed to have a reasonable basis. However the estimates are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from estimated results.*

*All reasonable efforts have been made to provide accurate information, but the Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this presentation, except as may be required under applicable laws. Recipients should make their own enquiries in relation to any investment decisions from a licensed investment advisor.*