

## \$1m Capital Raising Completed



**Shares on Issue: 49.8m**  
**Shares to be issued: 5.9m**  
**Shares post placement: 55.7m**  
Share Price: \$0.185  
Market Capitalisation: \$10.3m

### Asset Base – WA, Australia

Cannon Gold Mine (100%)  
Glandore Gold Project (75%\*)  
Cowarna Gold Project (100%)  
Transfind South (Option)  
\*currently earning 90%

### Asset Base – South Korea

Gubong Project (50%/50% BMV)  
Taechang Project (100%\*/BMV)  
Kochang Project (100%\*/BMV)  
Weolyu Au-Ag Project (100%)  
Hampyeong Au-Ag Project (100%)  
Aphae Au-Ag Project (100%)  
Deokon Au-Ag Project (100%)  
Beopseongpo Au Project (100%)  
Neungju Au-Ag Project (100%)  
Sonbul Au-Ag Project (100%)  
\*Currently under BMV farm-in

### Directors

Greg Boulton AM (Chairman)  
Simon Mitchell (MD)  
Peter Bamford  
Michael Billing  
David Turvey

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### Summary

- Private placement to strategic investors completed with the issuance of 5,882,352 shares at 17c per share.
- Placement pricing represents a 6.7% discount to the 20-day VWAP of 18.2c and raised \$1,000,000 before costs.
- Funding will complete the Gubong and/or Kochang Gold Mine feasibility study and maiden JORC resource at Weolyu.

### Private Placement

The Directors of Australian gold company Southern Gold Ltd (“Southern Gold”) advise the successful completion of a \$1 million capital raising. Southern Gold will issue 5,882,352 shares at 17c to sophisticated investors. This placement has been completed within Southern Gold’s placement capacity under listing rule 7.1 for 1,614,965 shares and 7.1A for 4,267,387 shares. A notice pursuant to 708A(5) of the Corporations Act, often referred to as a “cleansing notice”, will be posted on ASX shortly.

Post placement Southern Gold’s share capital will expand to approximately 55.7 million shares.

Funding from this placement will be principally deployed as follows:

- Completion of feasibility study for the re-start of mine operations at Gubong and/or Kochang Gold Mines, South Korea; and
- Further drilling and maiden JORC resource definition at the Weolyu gold-silver project, South Korea.

### Southern Gold Managing Directors Comment

Mr Simon Mitchell “It has been over 3 and a half years since Southern Gold raised funding in the public market. Southern Gold aims to keep the company’s share capital as tight as possible, releasing value from our assets when we can and building value incrementally through smart acquisitions and good exploration practice. Looking ahead there is much value to be released for a sub \$10 million market-cap company, including the realisation of cash from our Australian assets.

Given the prevailing share price, difficult share market conditions and the company’s strong fundamentals we have kept this funding round to a minimum. The capital raised will underpin Southern Gold going into 2019 where we are looking to make great strides toward gold production with Bluebird Merchant Ventures joint development of Gubong and Kochang gold mines and the exploration of some very exciting epithermal gold-silver targets such as Weolyu where Southern Gold holds 100% equity.”

### **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”). At the Cannon project near Kalgoorlie we are currently developing a small underground operation where Northern Star Resources Ltd holds a five year right-to-mine. Southern Gold is also looking to develop a much larger mine, Gubong, in South Korea within the next 12-18 months with development partner London-listed Bluebird Merchant Ventures.*

*We are also active explorers. Around Kalgoorlie Southern Gold is testing projects such as Glandore, Transfind Extended and Cowarna looking for additional small high-grade open pit-able gold resources to maintain cash flow. In South Korea, Southern Gold also owns a portfolio of high-grade gold projects that are a combination of decommissioned gold mines with orogenic gold mineralisation and greenfield epithermal gold-silver targets. Backed by a first-class technical team, including renowned geologist Douglas Kirwin, Southern Gold’s aim is to find world-class epithermal gold deposits.*

*In essence, Southern Gold looks to monetise the small gold deposits while we search for the bigger ones.*

### **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.*