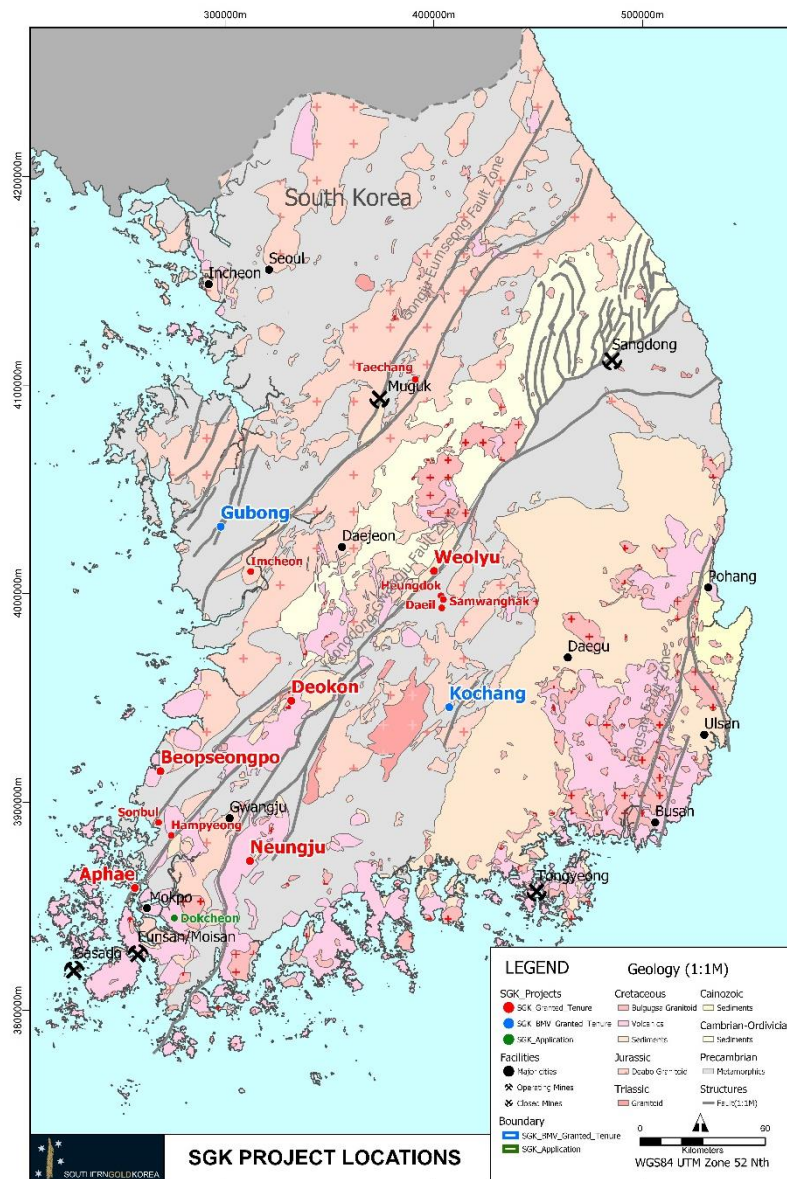




PRECIOUS METALS EXPLORATION AND DEVELOPMENT IN SOUTH KOREA

ASX Ticker: SAU
February 2019

Disclaimer

Forward-looking statements

The information in this presentation is published to inform you about Southern Gold Limited (“Southern Gold”) and its activities. Some statements in this presentation 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 and increasing the company’s resource base

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.

Competent Person’s statements

The information in this report that relates to Exploration Results has been compiled under the supervision of Dr Chris Bowden (FAusIMM(CP)). Dr Bowden, who is a consultant of Southern Gold Limited and a Fellow and Chartered Professional of The Australasian Institute of Mining and Metallurgy, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Bowden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources has been compiled under the supervision of Mr. Paul Androvic (AusIMM). Mr Androvic who is an employee of Southern Gold Limited and a Member of the Australasian Institute of Mining and Metallurgy, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr Androvic consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The Macro View



- ❑ **South Korea** has seen little modern exploration but has the potential for Tier 1* discovery in what is an excellent jurisdiction.
- ❑ **Southern Gold** has a significant tenure footprint that is being explored by a first class exploration team with excellent discovery record.
- ❑ **Southern Gold** has a tight capital structure (55.8m shares) and low valuation (EV~A\$7m or <US\$5m or <GBP4m).
- ❑ **Southern Gold** is also in partnership with experienced mine developers (Bluebird Merchant Ventures) targeting **first gold pour by end 2019**.

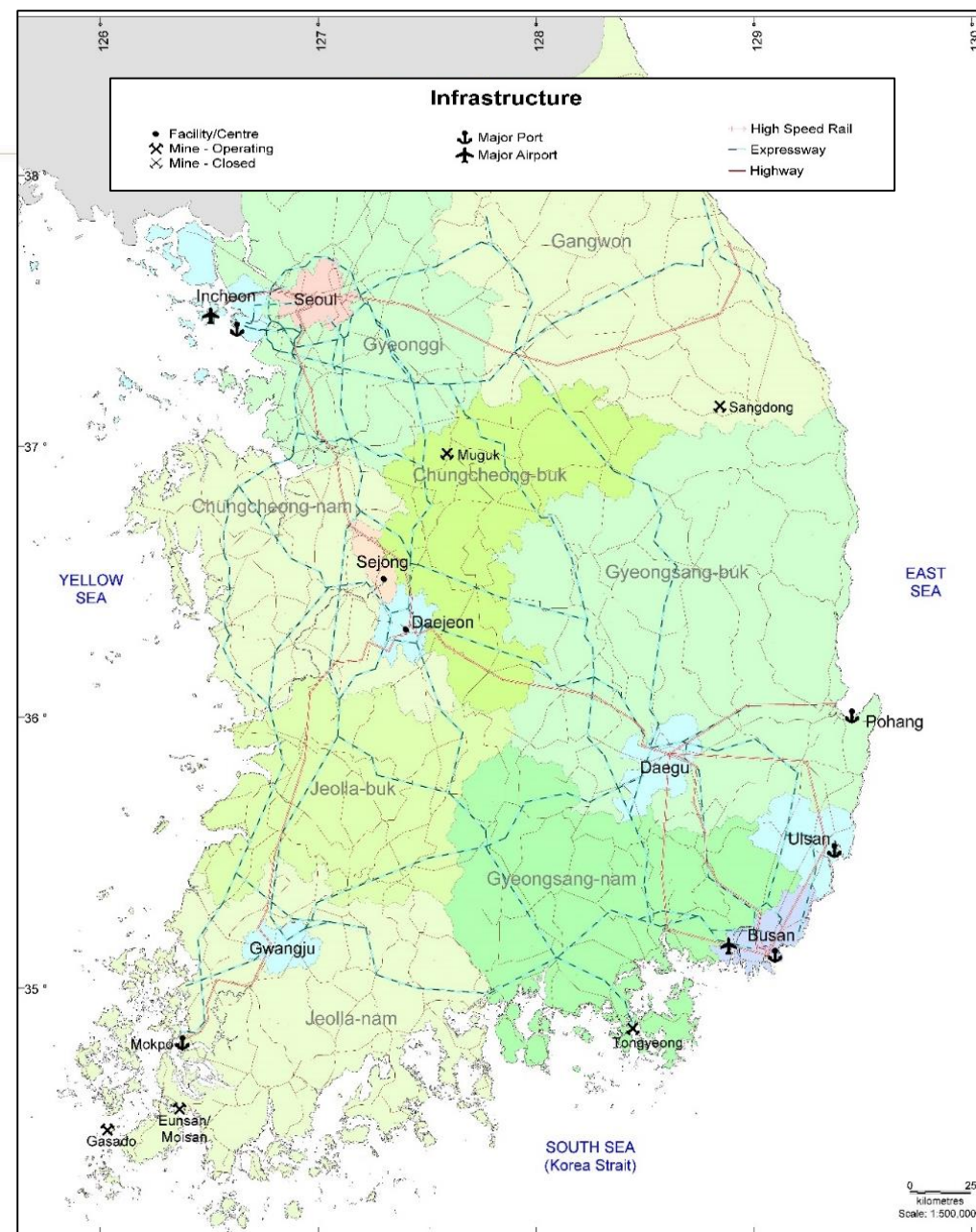
Corporate Strategy

- ❑ **Search for Tier 1 (NPV>US\$1b) gold deposits in South Korea**
- ❑ Tier 1 = large, low cost, long life deposits such as Hishikari, Japan
- ❑ South Korea = exploration “time capsule”, excellent ‘ring of fire’ Pacific Rim geology

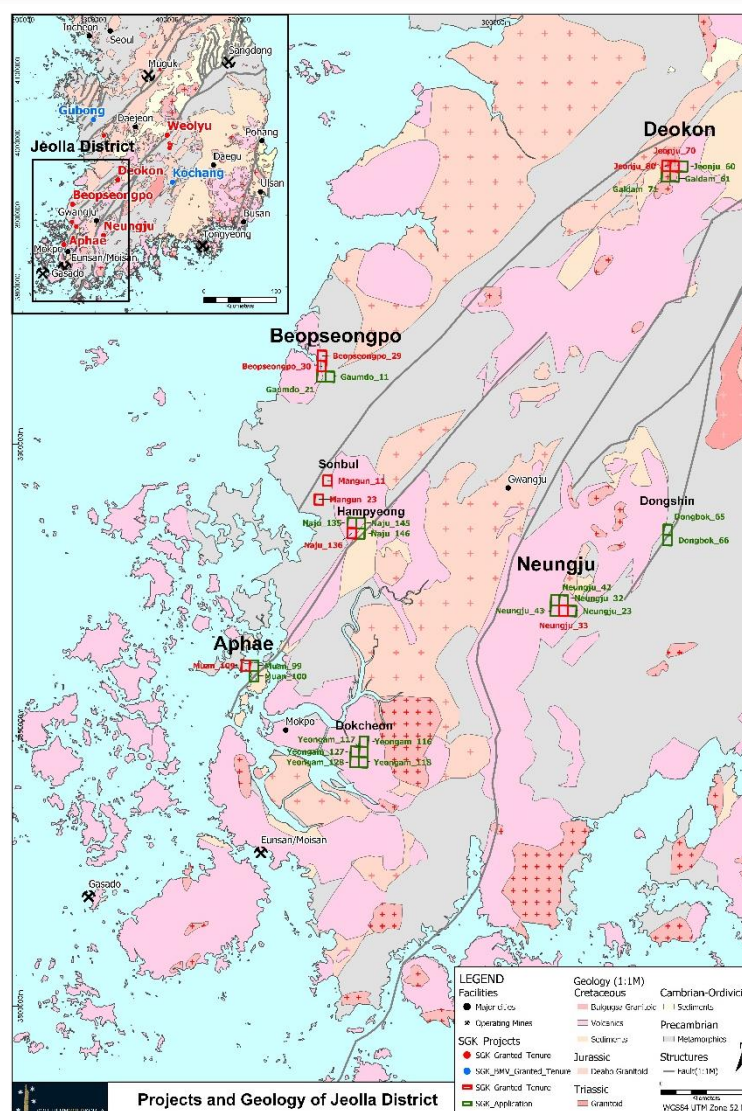
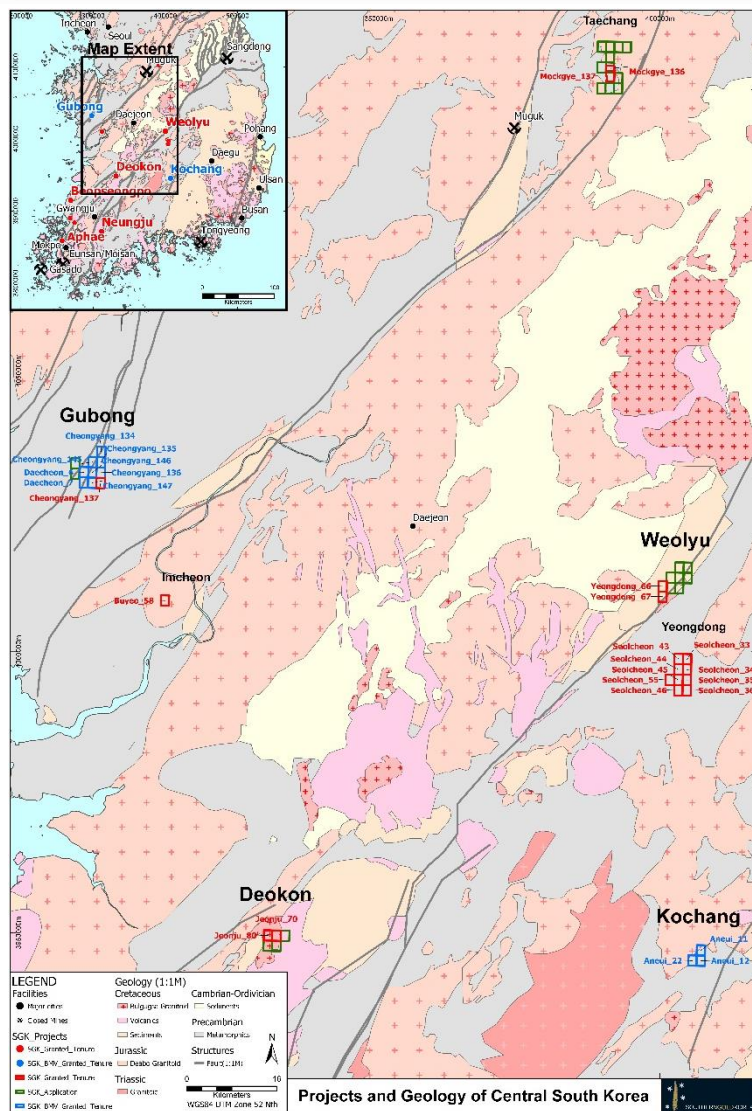


South Korea

- ❑ Geographically North Asia not SE Asia
- ❑ No government royalties
- ❑ Tax rate 24.2% (<KRW300b or US\$300m) or 22% (<KRW20b or US\$20m)
- ❑ Government funding available (eg KORES)
- ❑ Extensive road, rail, electricity, internet
- ❑ Large manufacturing base
- ❑ 50 million people, in area 50% size of Victoria, Australia
- ❑ 11th on global GDP/capita rankings, low corruption, significant finance sector



Project Footprint: Tenure



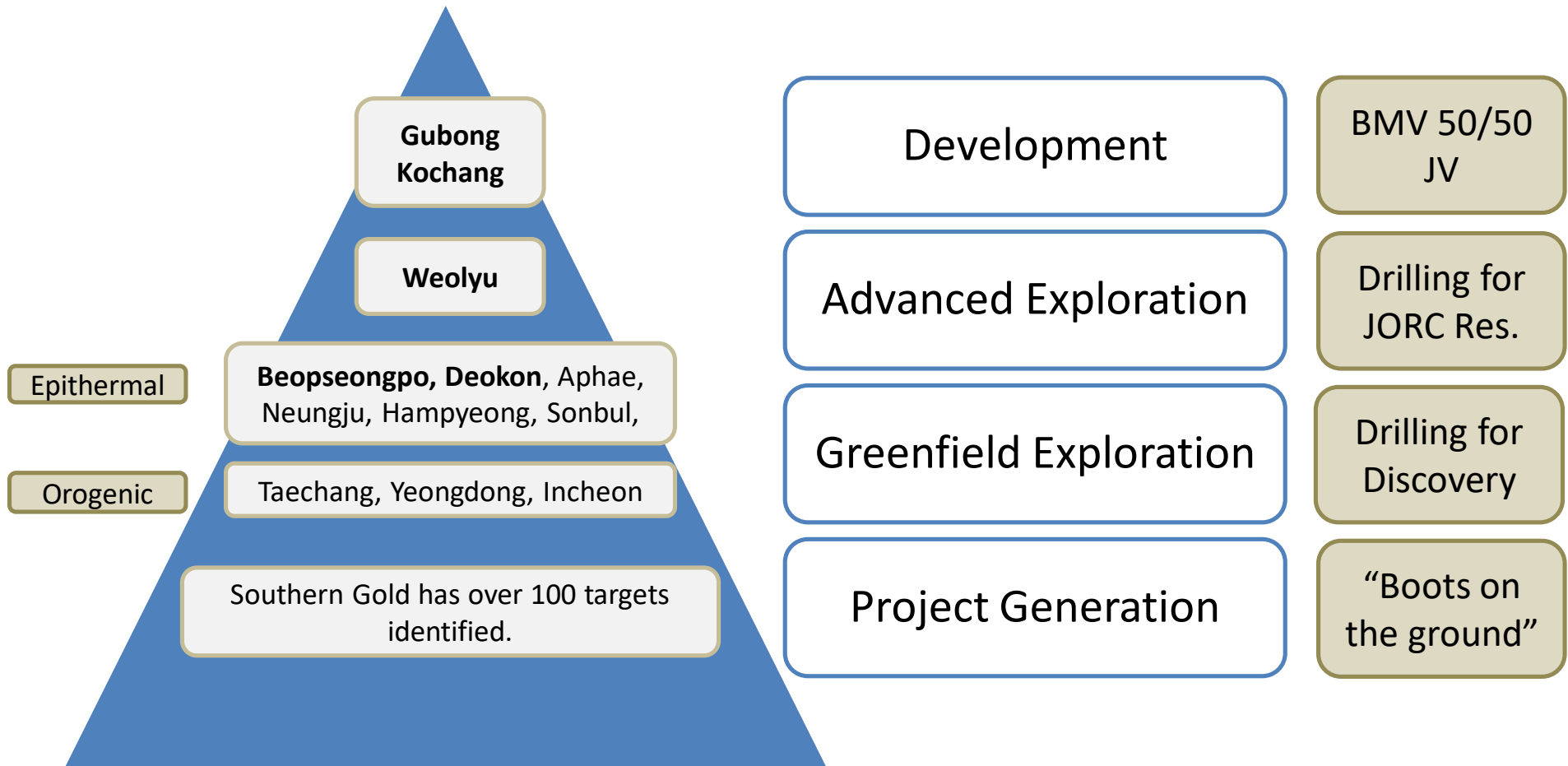
Exploration

SAU 100%
22 granted
graticules [63km²]
+
38 applications

Mine Development

BMV / SAU 50%
11 granted
graticules [32km²]
+
2 applications

Project Pyramid



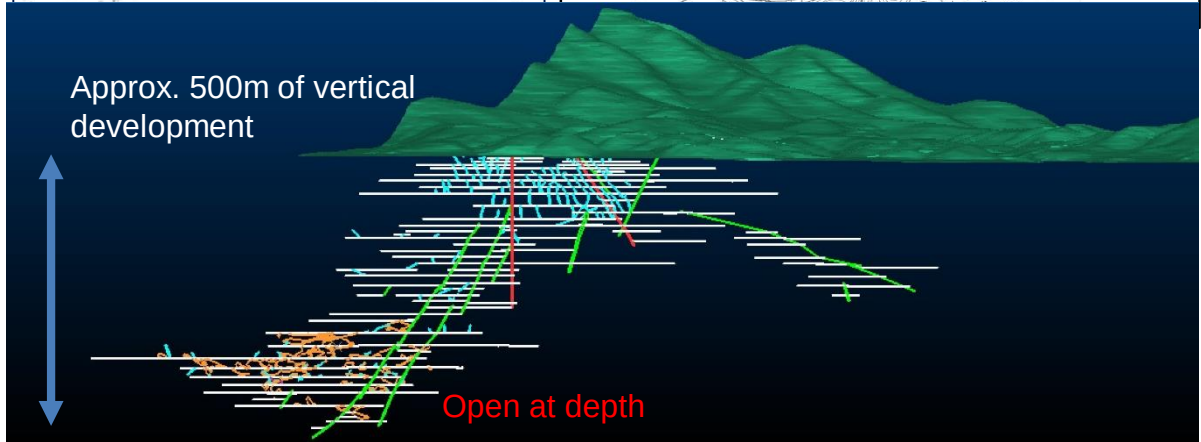
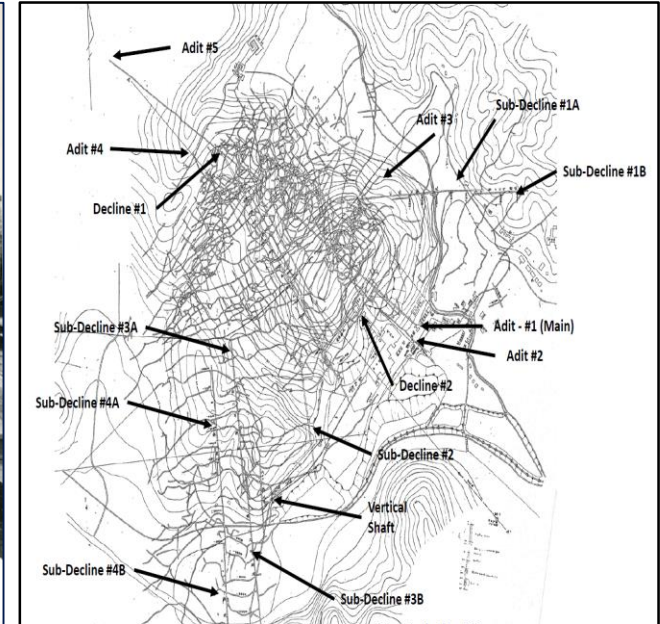
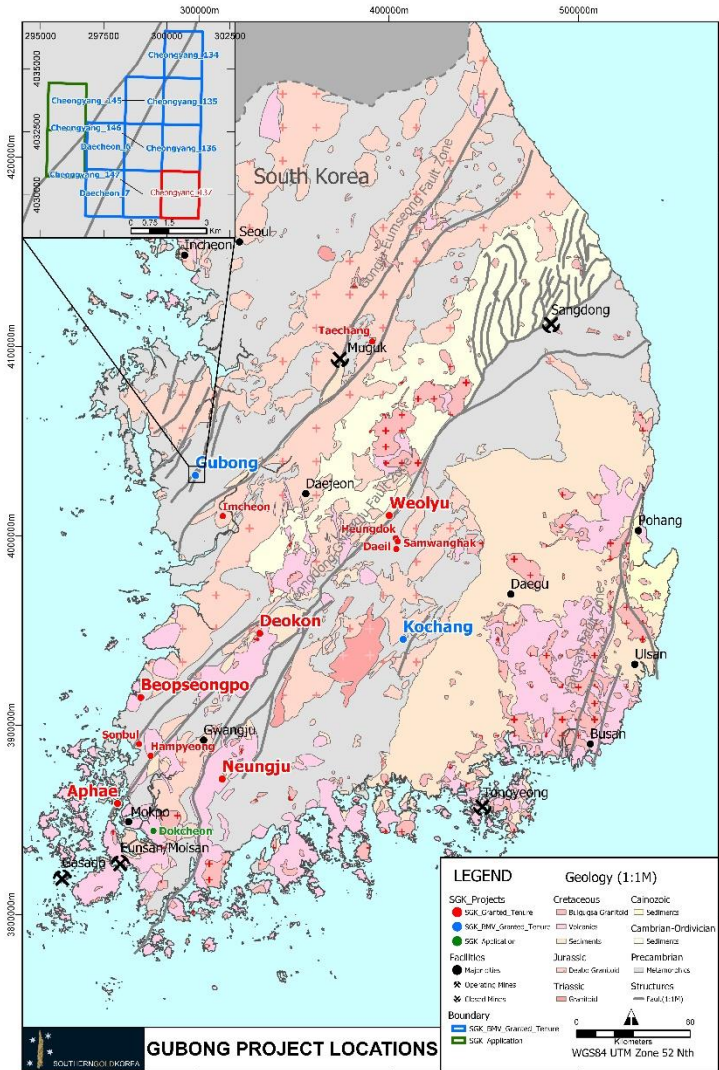
Development (**Bluebird** BMV 50/50 JV)



Aim is to:

- Mine high grade gold
- Extract using simple process (e.g. gravity or vat leach)
- With low capital intensity, and
- Achieve cash flow as soon as possible

Bluebird JV: Gubong (I)



Bluebird Gubong (II)

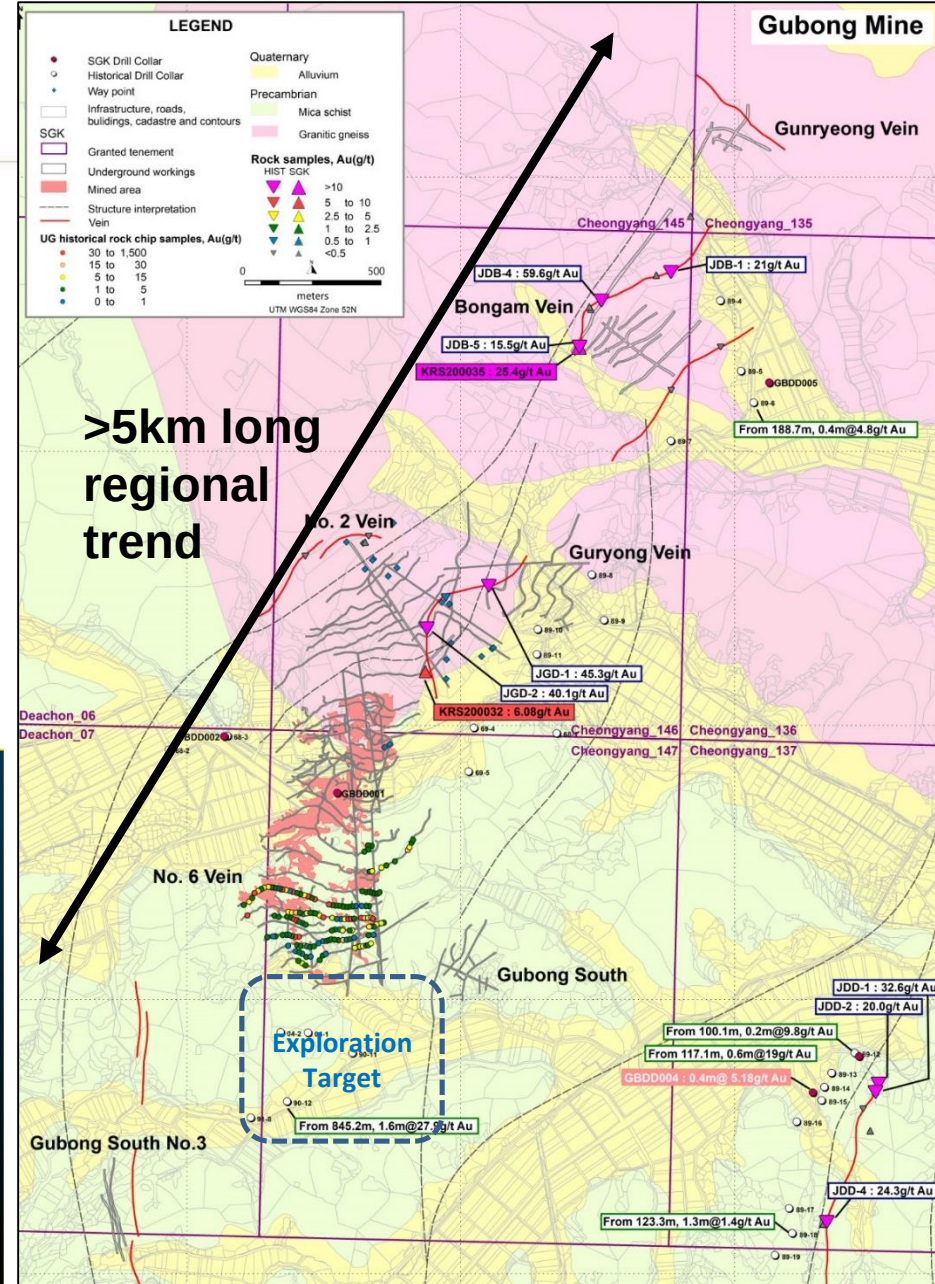
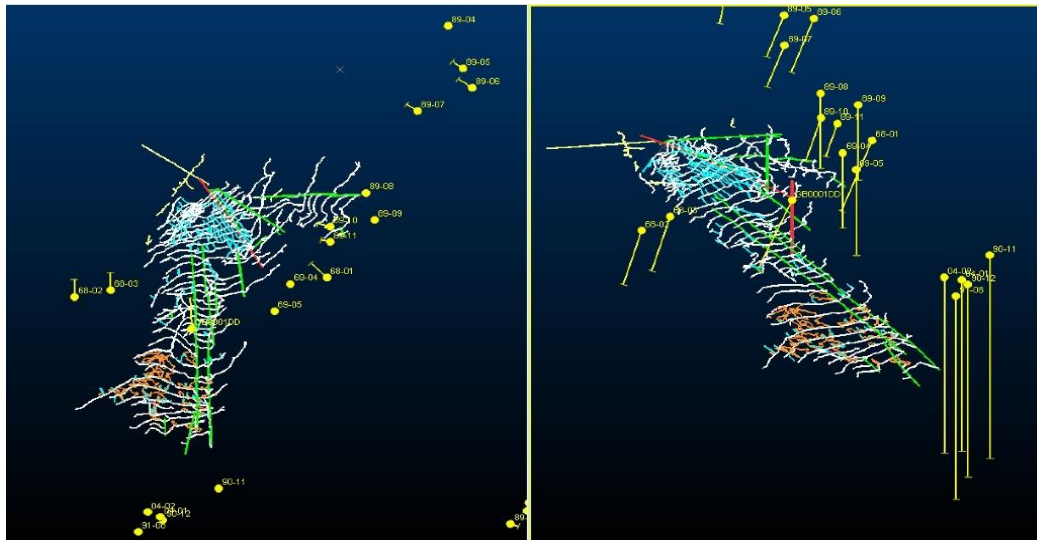
Exploration Target Range:
1.2 to 2.3mt @ 6 – 8g/t Au (230-580koz Au)

See inset area

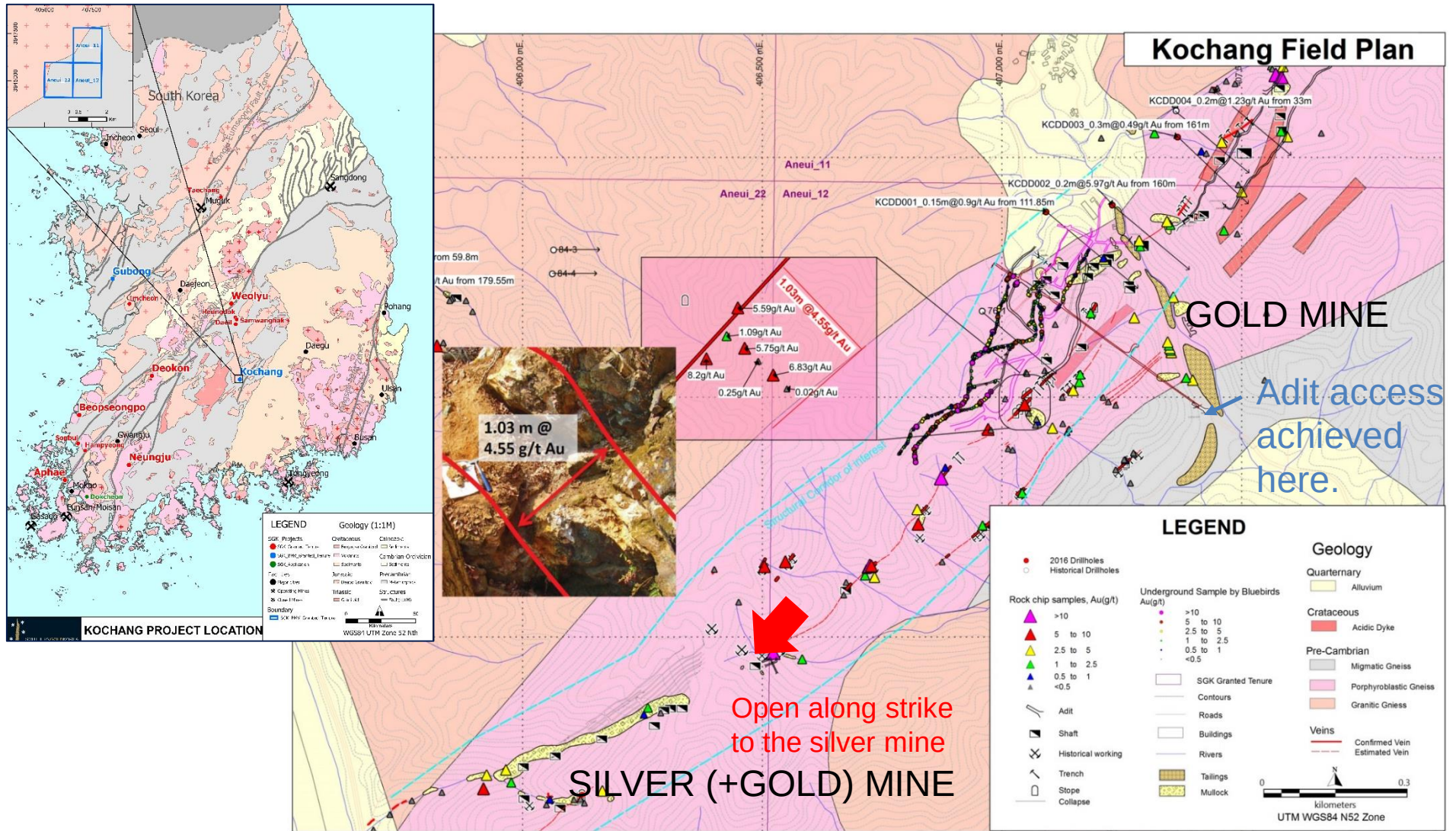
Exploration
Target

Vein No6 only

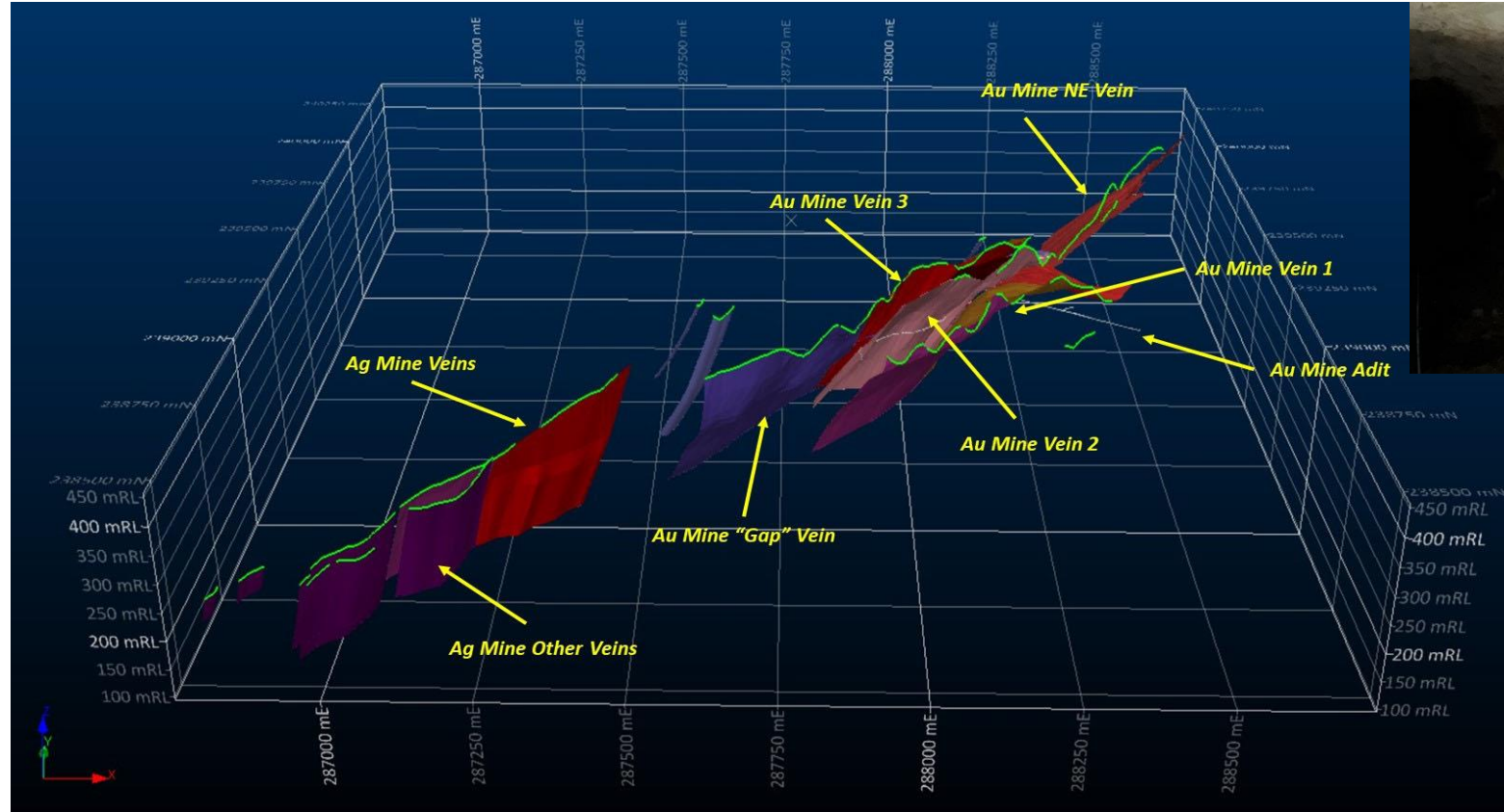
Exploration carried out to date is insufficient to estimate a resource and it is uncertain whether further exploration will result in the estimation of a resource. See ASX Release 8 July 2016.



Bluebird Kochang (I)



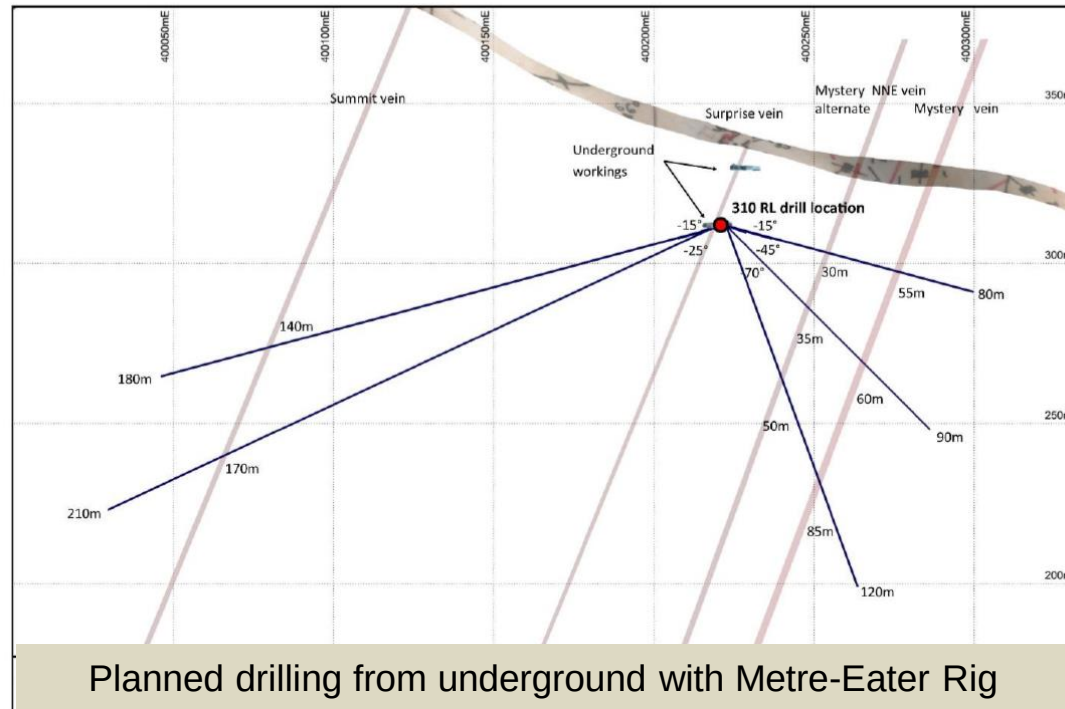
Bluebird JV: Kochang (II) - ETR



The exploration target range: 500,000 and 700,000 tonnes, with a grade range of 5.0 to 7.0 g/t gold and 27g/t and 35 g/t silver.

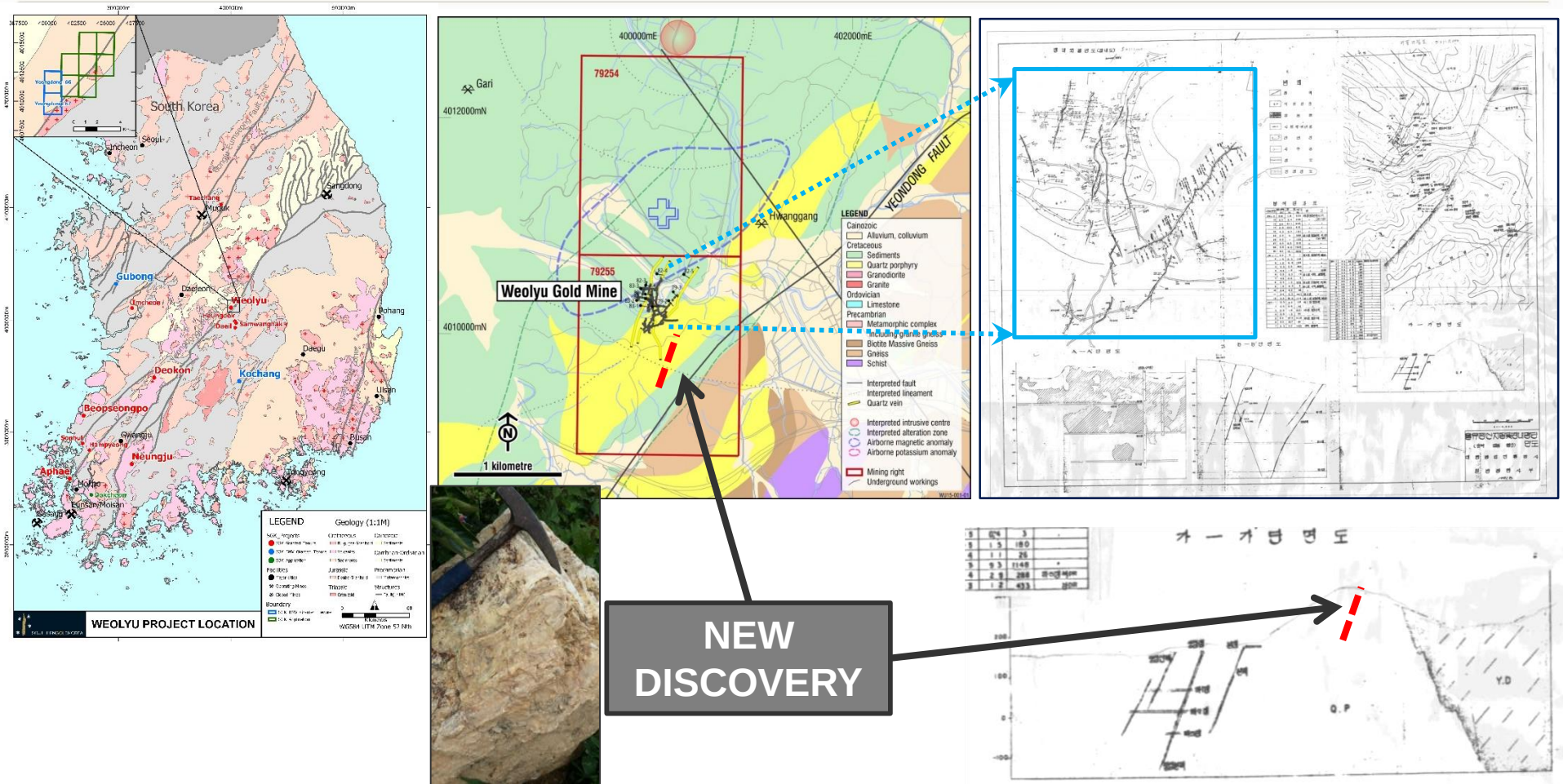
This exploration target is not a mineral resource and is conceptual in nature. The estimate is based upon 3D modelling of the geological structures within the Kochang Gold and Silver mines using the recently obtained underground access to the Kochang 245mRL and 265mRL Levels and the geological mapping and channel sampling. See ASX Release 22 November 2018.

Advanced Exploration (JORC Resource Potential)



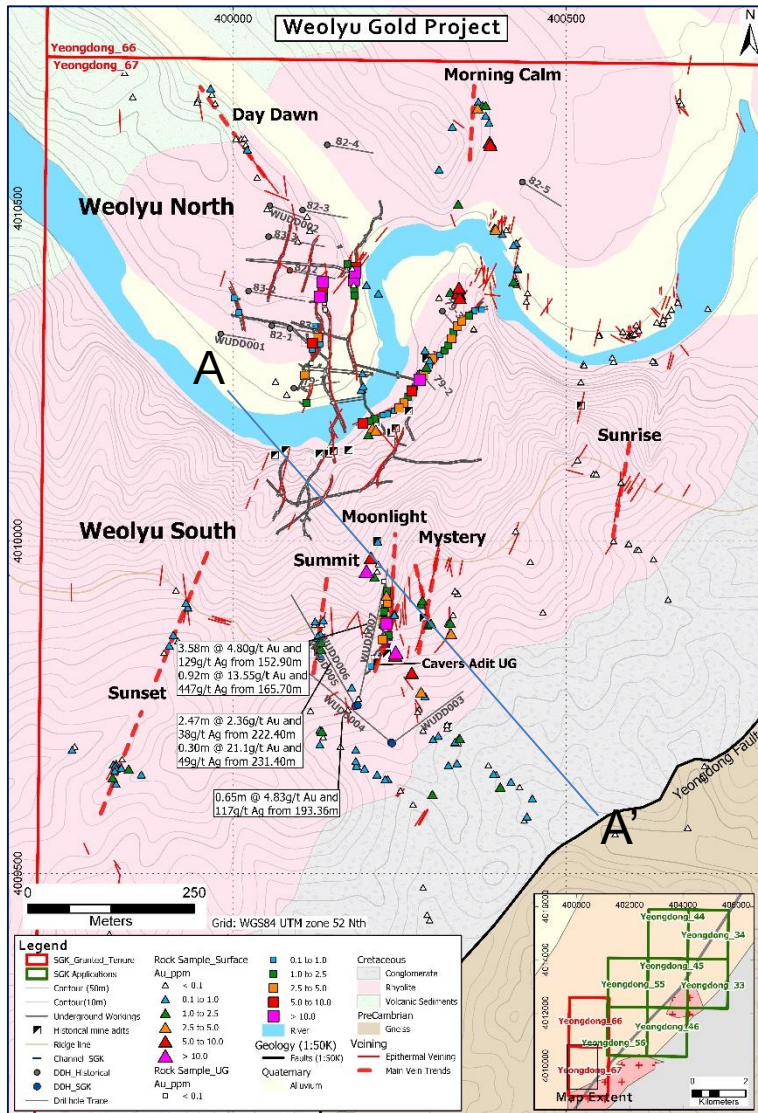
Weolyu South

Weolyu (I) : Location and Context



Newly discovered classic high-level low-sulphidation epithermal quartz veining with bladed carbonate pseudomorphs, distal to previously mined IS epithermal veins - hosted by Cretaceous volcanic extrusive & sub-volcanic intrusive rocks that show significant propylitic to sericitic and acid-sulfate alteration on km's scale.

Weolyu (II) : Drilling

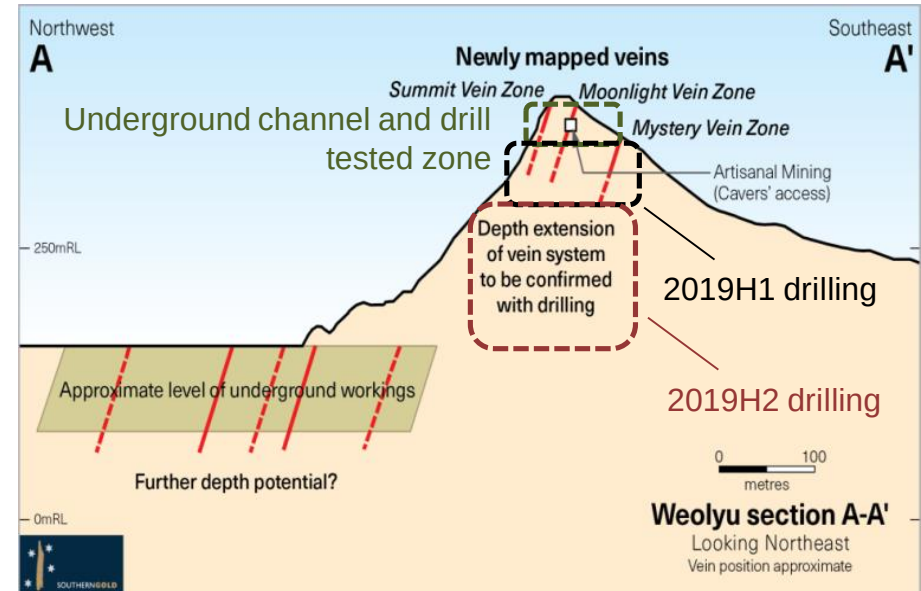


Drill Hole ID	From (m)	Int (m)	Au (g/t)	Ag (g/t)	Target
WUDD006	222.40	2.47	2.36	37	Summit Vein Zone
including:	222.40	0.70	3.19	64	Summit Vein Zone
	231.40	0.30	21.10	49	Summit Vein Zone
WUDD007	152.90	3.58	4.80	129	Moonlight Vein
	165.70	0.92	13.55	447	Moonlight Vein
including:	166.10	0.30	35.00	1,110	Moonlight Vein

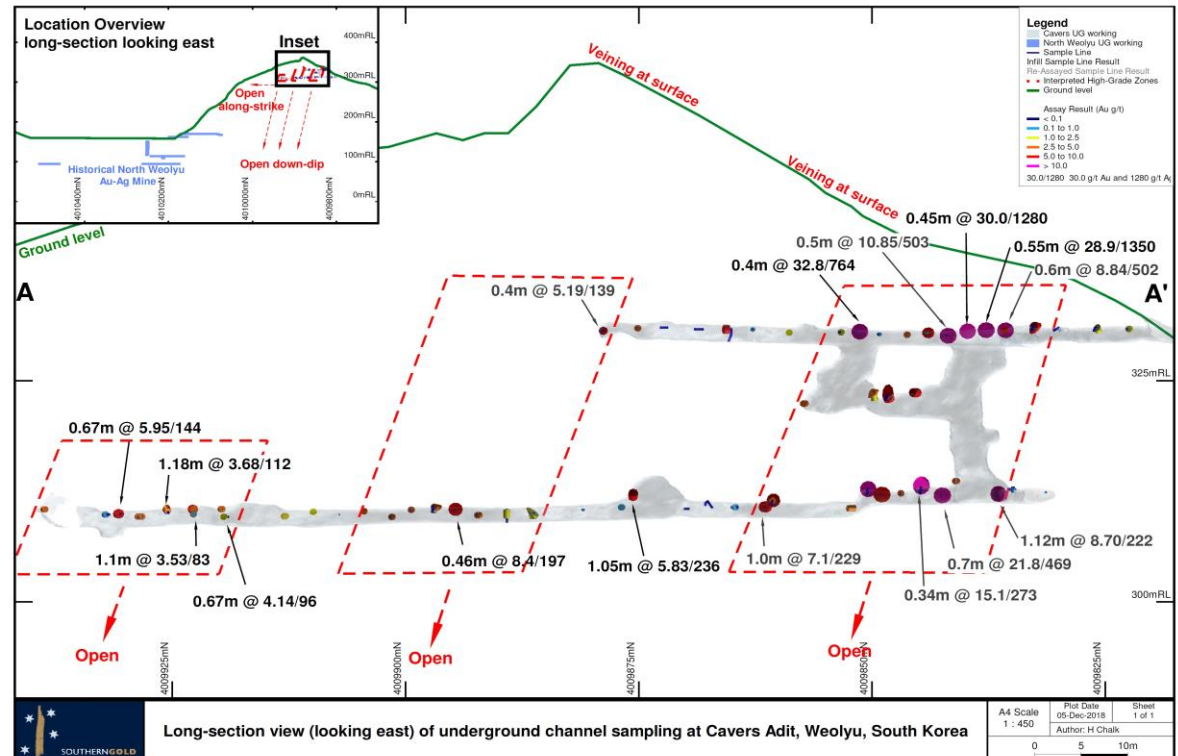
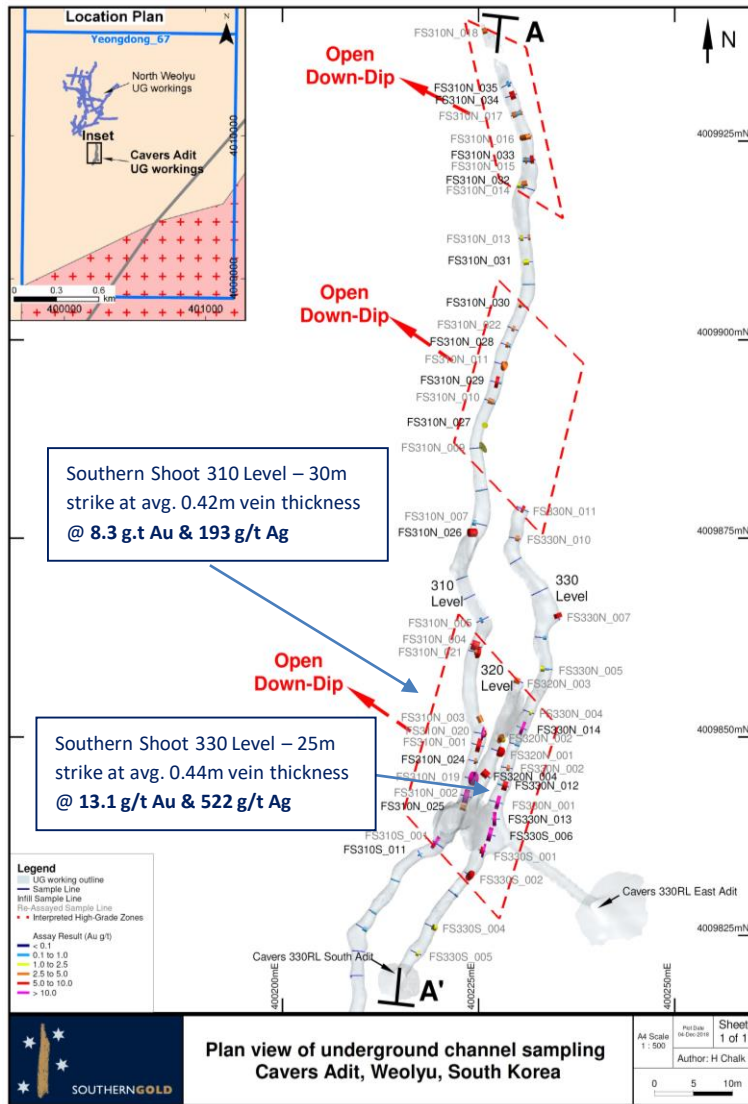


30.4g/t Au + 1,240g/t Ag
(KRS200052)

6.18g/t Au + 1030g/t Ag
(KRS202116)



Weolyu (III): In Situ Vein Au-Ag Tenor



Line ID	Int (m)	Au (g/t)	Ag (g/t)	Au (gm)
FS330N_014	0.4	32.80	764.0	13.1
FS330N_013	0.45	30.00	1,280.0	13.5
FS330S_006	0.55	28.90	1,350.0	15.9
FS310N_002	0.7	21.80	469.0	15.3
FS310N_019	0.34	15.07	272.6	5.1
FS330N_001	0.5	10.85	503.0	5.4
FS310N_001	0.55	9.94	181.0	5.5
FS330S_001	0.6	8.84	501.5	5.3
FS310S_001	1.12	8.70	222.4	9.7

Greenfield Exploration (New Discovery Potential)

Indochina Goldfields Team 1990's (Ivanhoe Mines)



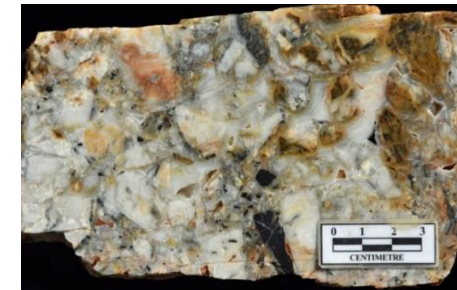
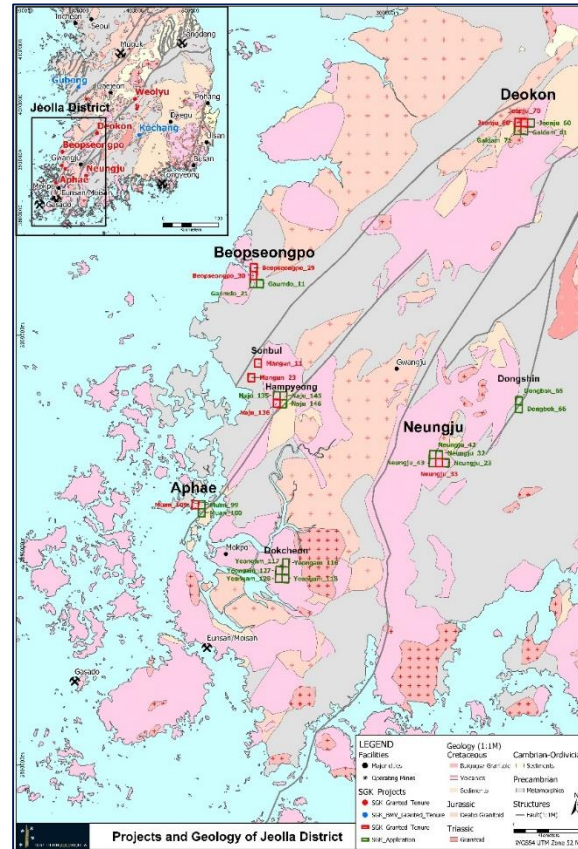
Doug Kirwin,
Technical Advisor



Dr Chris Bowden,
Consultant, SK



Craig Panther,
Consultant, SK



Deokon

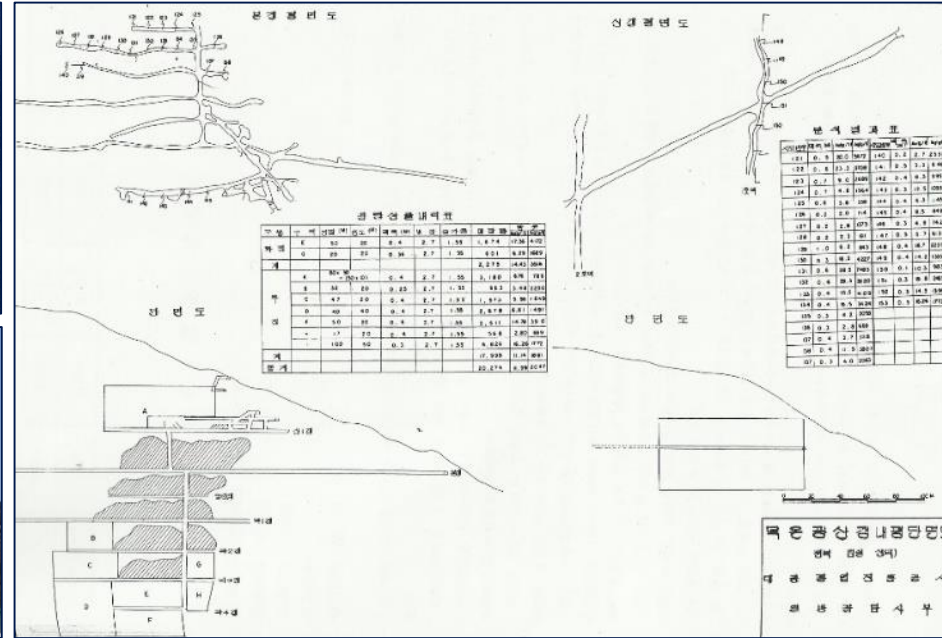
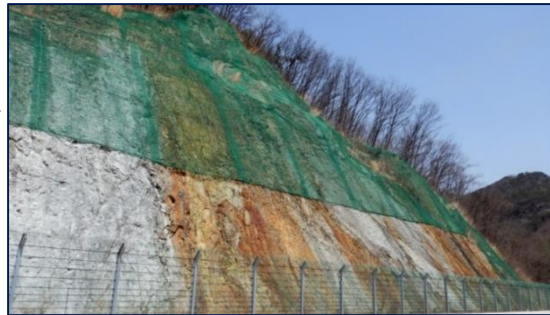
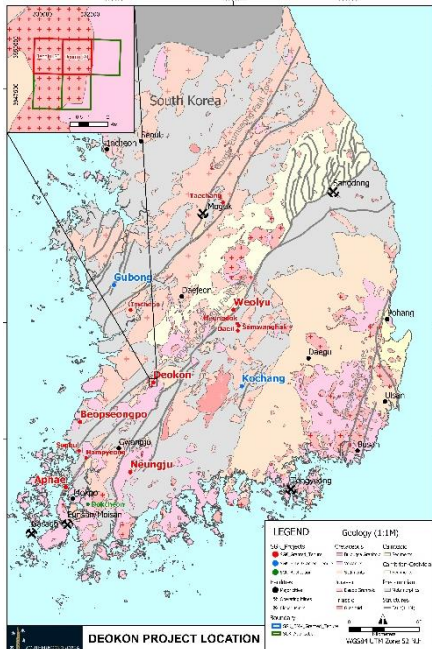


Photo A: Sample KRS205254. Hydraulic vein breccia, with angular rhyolite clasts, set in a flood mesocrystalline silica-sulfide matrix (pyrite, chalcocopyrite, silver sulfosalts). **13.3 g/t Au and 2,130 g/t Ag.**

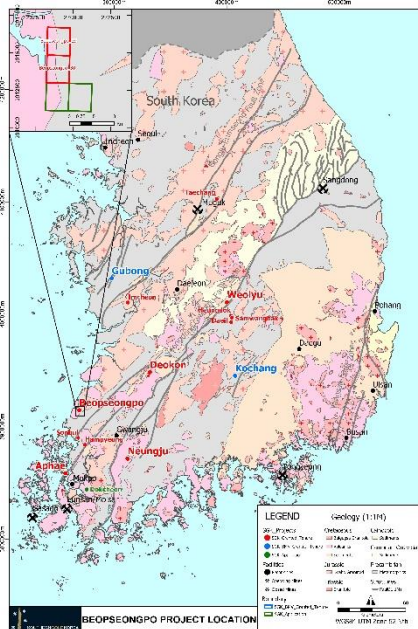


Photo B: Sample KRS205231. Hydraulic vein breccia, comprised of white silica-illite/adularia altered rhyolite fragments engulfed by mesocrystalline to crystalline quartz with coarse-grained sulfides (pyrite, tetrahedrite & silver sulfosalts). **9.23 g/t Au and 1,080 g/t Ag**

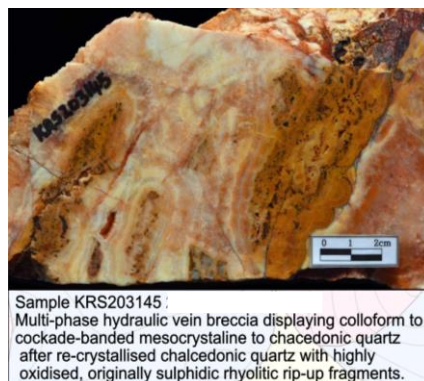


Sample ID	Location	Width (m)	Au (g/t)	Ag (g/t)
Deok K-1	Main Mine	0.5	59.3	8,879
DK-132	Main Mine	0.6	29.3	3,820
DK-131	Main Mine	0.6	28.5	7,485
DK-122	Main Mine	0.6	23.3	9,708
On-3	Main Mine	2.5	20.1	1,457
DK-121	Main Mine	0.5	20.0	5,672
DK-130	Main Mine	0.3	16.5	4,227
Deok K-2	Main Mine	0.5	16.0	29
DK-133	Main Mine	0.4	15.5	4,109
DK-134	Main Mine	0.4	15.5	3,424

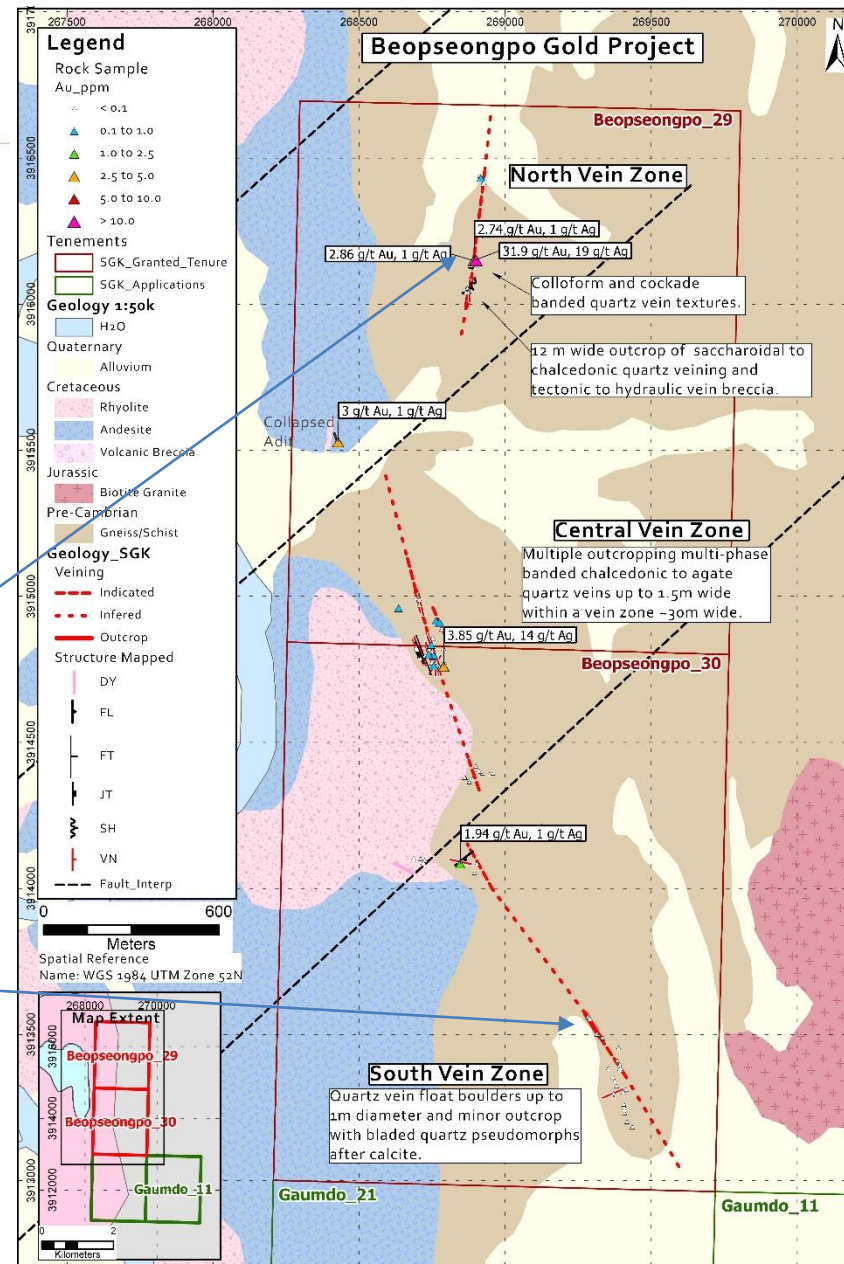
Beopseongpo



- Vein system has been traced for **3.8 km along strike**;
- High-level low-sulphidation style (target @ 150m depth).



Up to 31.9g/t Au and 19g/t Ag from recon 'float' samples



Board, Capital Structure & Market Valuation



Greg Boulton,
Chairman
Businessman



Simon Mitchell,
Managing Director
Geologist, Finance



Peter Bamford,
NED
Engineer



David Turvey,
NED
Geologist

Number of ordinary shares on issue	55.8m
Share price (12 February 2019)	AUD\$0.14
Market capitalisation (undiluted)	AUD\$7.8m
*Cash (approx. 31 Dec 2018)	AUD\$0.8m
Enterprise value	AUD\$7m

=US\$5m = GBP3.8m



Near Term News Flow

- Drilling and Maiden JORC resource 2019 (Weolyu, SAU 100%)
- First ever drill test of new projects 2019 (Beopseongpo, Neungju, SAU 100%)
- Modern drill testing of high grade Deokon project 2019H2 (Deokon, SAU 100%)
- Other projects drill tested 2020H1 (Aphae, Taechang, Yeongdong, SAU 100%)
- Regulatory approvals for Gubong & Kochang projects 2019H1 (BMV JV, SAU 50%)
- First gold pour by end of 2019 after capex <US\$5m (BMV JV, SAU 50%)

Why Invest In Southern Gold?

- 
- ❑ We are a South Korean focused precious metals explorer and developer
 - ❑ South Korea has seen little modern exploration
 - ❑ Potential for Tier 1 (>US\$1b NPV) discovery (eg: Hishikari in Japan)
 - ❑ Significant tenure and exploration team with excellent discovery record
 - ❑ Tight capital structure (55.8m shares) and low valuation (<US\$5m)
 - ❑ Near term Au production in South Korea (BMV JV)
 - ❑ Near term monetisation of value from Cannon Mine