

**Southern Hemisphere
Mining Limited**

ARBN: 17 140 494 784

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Website: shmining.com.au

Directors:

Chairman
David Lenigas

Directors
Trevor Tennant
Keith Coughlan

Company Secretary:
Julia Beckett

Issued Capital:
78,136,137

Corporate Information:
ASX Code: SUH



ASX / Media Announcement

31 July 2017

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING JUNE 2017

HIGHLIGHTS

Projects

- The Company entered the Pilbara Lithium sector through a 50/50 joint venture with Macarthur Minerals Limited (TSXV:MMS) to acquire 100% of both the Marble Bar Lithium Project and Pippingarra Lithium Project in Western Australia.
- The Company announced that it had identified a number of significant new lithium bearing, spodumene and lepidolite mineralised pegmatities at its new Marble Bar Lithium Project Joint Venture.
- The Company continues its reassessment of its Chilean assets in light of the improved conditions globally for mining projects.

Corporate

- The Company raised A\$520,000 through a placement of 6.5 m shares to sophisticated investors. The funds will be used to continue exploration at the Lithium Projects in Western Australia and to undertake an independent technical and financial review of the Company's existing projects in Chile.

General

- The Company is seeking to realise short term value for shareholders via existing assets, whilst working on identifying new and exciting exploration or production opportunities in Australia and elsewhere.

BACKGROUND INFORMATION ON SOUTHERN HEMISPHERE MINING:

Southern Hemisphere Mining Limited (ASX Code "SUH") is an experienced copper-gold explorer and developer in Chile, the world's leading copper producing country and one of the most prospective regions of the world for major new copper discoveries. In Chile, the primary areas of focus are on the Llahuin Porphyry Copper-Gold Project where the Company has drilled up a significant Copper Gold resource, and the Los Pumas Manganese Project. In addition, the Company is exploring for lithium in the Marble Bar area of the Pilbara in Western Australia.

CONTACTS:

For further information on this update or the Company generally, please visit our website at www.shmining.com.au or contact:

Investors / Shareholders

Keith Coughlan

Director

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Director

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COMPETENT PERSON / QUALIFIED PERSON STATEMENT:

The information in this report that relates to copper and gold Exploration Results for the Company's Projects is based on information compiled by Mr Trevor Tennant, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Tennant has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Tennant is a full-time employee and Managing Director of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. For further information, please refer to the Technical Reports and News Releases on the Company's website at www.shmining.com.au.

FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE:

This report contains forecasts, projections and forward looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations, estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of Southern Hemisphere Mining's control. Actual results and developments will almost certainly differ materially from those expressed or implied. Artemis has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. To the maximum extent permitted by applicable laws, Artemis makes no

representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for (1) the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and (2) without prejudice to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

ntroduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

SOUTHERN HEMISPHERE MINING LIMITED (ASX: SUH)

ABN

17 140 494 784

Quarter ended (Current quarter)

30 June 2017

Consolidated statement of cash flows

1. Cash flows from operating activities

1.1	Receipts from customers	-	-
1.2	Payments for:	-	-
	(a) exploration and evaluation	(44)	(311)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(46)	(272)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(89)	(580)

2. Cash flows from investing activities

2.1	Payments to acquire:	-	-
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	(15)	(15)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from disposal of:	-	-
	(a) property, plant and equipment	-	3
	(b) tenements (see item 10)	-	8
	(c) investments	-	40
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(15)	36

⁽¹⁾ Excludes amounts incurred and accrued in respect to exploration activities as at 30 June 2017, paid in July 2017, refer also 9.1.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 Months) \$A'000
3. Cash flows from financing activities			
3.1 Proceeds from issues of shares		520	650
3.2 Proceeds from issue of convertible notes		-	-
3.3 Proceeds from exercise of share options		-	-
3.4 Transaction costs related to issues of shares, convertible notes or options		(26)	(26)
3.5 Proceeds from borrowings		-	-
3.6 Repayment of borrowings		-	-
3.7 Transaction costs related to loans and borrowings		-	-
3.8 Dividends paid		-	-
3.9 Other (provide details if material)		-	-
3.10 Net cash from / (used in) financing activities		494	624
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1 Cash and cash equivalents at beginning of quarter/year to date		330	640
4.2 Net cash from / (used in) operating activities (item 1.9 above)		(89)	(580)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		(15)	36
4.4 Net cash from / (used in) financing activities (item 3.10 above)		494	624
4.5 Effect of movement in exchange rates on cash held		-	-
4.6 Cash and cash equivalents at end of quarter		720	720
5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances		720	330
5.2 Call deposits		-	-
5.3 Bank overdrafts		-	-
5.4 Other (provide details)		-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)		720	330
6. Payments to directors of the entity and their associates		Current quarter \$A'000	
6.1 Aggregate amount of payments to these parties included in item 1.2		-	
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3		-	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2			
Nil.			
7. Payments to related entities of the entity and their associates		Current quarter \$A'000	
7.1 Aggregate amount of payments to these parties included in item 1.2		-	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3		-	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2			
Nil.			

8. Financing facilities available

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Nil

9. Estimated cash outflows for next quarter

\$A'000

9.1 Exploration and evaluation⁽²⁾

20

9.2 Development

-

9.3 Production

-

9.4 Staff costs

18

9.5 Administration and corporate costs

43

9.6 Other (provide details if material)

-

9.7 **Total estimated cash outflows**

81

⁽²⁾ This includes amounts incurred and accrued in respect to exploration activities as at 30 June 2017, paid in July 2017.

10. Changes in tenements
(items 2.1(b) and 2.2(b) above)

	Tenement reference and location	Nature of interest	Interest at beginning of quarter %	Interest at end of quarter %
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E45/4669 E45/4690 E45/4724 E45/4746	Direct Direct Direct Direct	0% 0% 0% 0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil		

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.



Signed:

Dated: Monday, 31 July 2017

Company Secretary

Print name: Julia Beckett

Notes

Mining exploration entity and oil and gas exploration entity quarterly report

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.