ASX Release
Thursday 28 June 2018

ASX Code: SAU

Exciting shallow high-grade gold intersected in RC drilling at Transfind South, WA

Drilling Results from recent campaigns highlight high grade gold at Transfind South and encouraging potential for the Cowarna Project

Transfind South Gold Project

- Shallow high grade gold mineralisation successfully intersected south of Transfind open pit. Gold mineralisation intersected in all 13 drillholes.
- Best intersections: **1m @ 133.7 g/t Au** and **2m @ 24.4 g/t Au**.
- Follow-up infill drilling to define a mineral resource in accordance with the JORC code.

Cowarna Gold Project

- Gold mineralisation intersected in the anticline at Pryde and Logan.
- Best intersection: **8m @ 1.05 g/t Au** at Logan.
- Potential for deeper mineralisation to be tested with diamond drilling in the second half of 2018 and co-funded under the Exploration Incentive Scheme (EIS).

Transfind South Project

Southern Gold Ltd has an Option to Purchase Agreement for the Transfind South tenements from 2 Kalgoorlie-based prospectors provided 2,000m of drilling has been completed (see ASX Release 18th January 2017). To date a 984m RC drilling program was completed to follow up on high-grade rock chips, high-grade historical drilling, and gold-in-soil anomalism. A second program of approximately 1,000m is currently being planned for the second half of 2018.

The aim of the first pass drilling was to intersect high-grade gold mineralisation amenable to open-pit mining along strike from the Transfind Pit and to test a 230ppb soil anomaly.

Southern Gold Managing Director, Mr Simon Mitchell "*Nice to see some high grade intercepts out of our first pass drilling at Transfind South. And by high grade I mean in excess of 20g/t gold. Our target here is a deposit with very high grades that will be amenable to trucking some distance to a plant. So far it seems to be shaping up nicely vindicating the potential highlighted by the Kalgoorlie-based prospectors.*

And at Cowarna it is great to hit mineralisation in our very first drill programme. It needs to be remembered that we have more than 20 strike kilometers of prospective BIF unit and we have only started on a small section of it in two locations. There is huge potential here."

Shares on Issue: 49.15m
Share Price: $0.23
Market Capitalisation: $11.3m

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 (100%*/BMV)
Taechang Project (100%*/BMV)
Kochang Project (100%*/BMV)
Weolyu Au-Ag Project (100%)
Hampyeong Au-Ag Proj. (100%)
*Currently under BMV farm-in

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Transfind South historical work

Mineralisation at Transfind was discovered in the 1920's. Shallow workings and alluvials from the Dawn of Hope, a prospect contained within Special Lease 36, are recorded to have produced 29,790oz of gold from 445 tons of ore, an average grade of 204.9g/t of gold. Gold mineralisation is hosted by andesitic and dacitic tuffs containing relict fresh pyrite, and by narrow quartz veins. Both styles of gold mineralisation contain free gold, the quartz veins containing angular fragments of coarse free gold and external films of secondary gold. Isolated intersections of mineralised quartz veining were reported to return assay values of over 1,000g/t of gold.

Between 1975 and 1985 Hampton Gold Mining Areas, Hill Minerals and ACM mapped and sampled the area. In 1986 Hampton Areas Ltd carried out a small scale RAB and RC drilling program which was followed in 1987 by one minor and two major Reverse Circulation and diamond core drilling programs.

Recently (ASX release 11th May 2017), Overland Resources conducted a program of RC drilling under and around the historic Transfind open pit, immediately north of the Southern Gold program. This program confirmed the continuity of the structures hosting the mineralisation, as well as the potential for repeats of the structures at depth. Targeting of drilling at structural junctions has the potential to intersect thickened zones of high grade mineralisation similar to SAU's intersections south of the pit.

Transfind South current results

Previously, only wide spaced drilling had taken place over the project and reported a peak interval of 4 m @ 6.14 g/t Au. Based on this previous work completed in the area, the exploration target was a small, high-grade system hidden between and below previous drilling.

The drilling was targeted at intersections of structural features coinciding with anomalous soil geochemistry. Mineralisation was successfully intersected in all drillholes, highlights of which are summarized in **Table 1**, and defined continuously mineralised structures of similar orientation to those mined in the Transfind open pit in the mid 1990's.

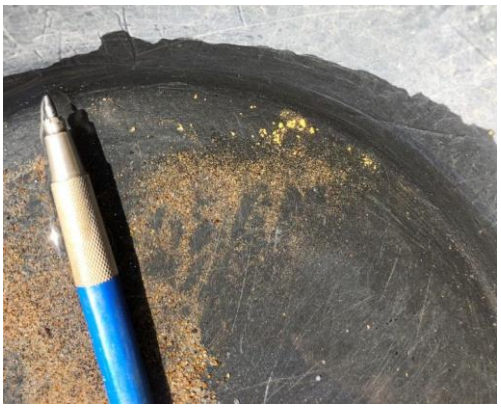
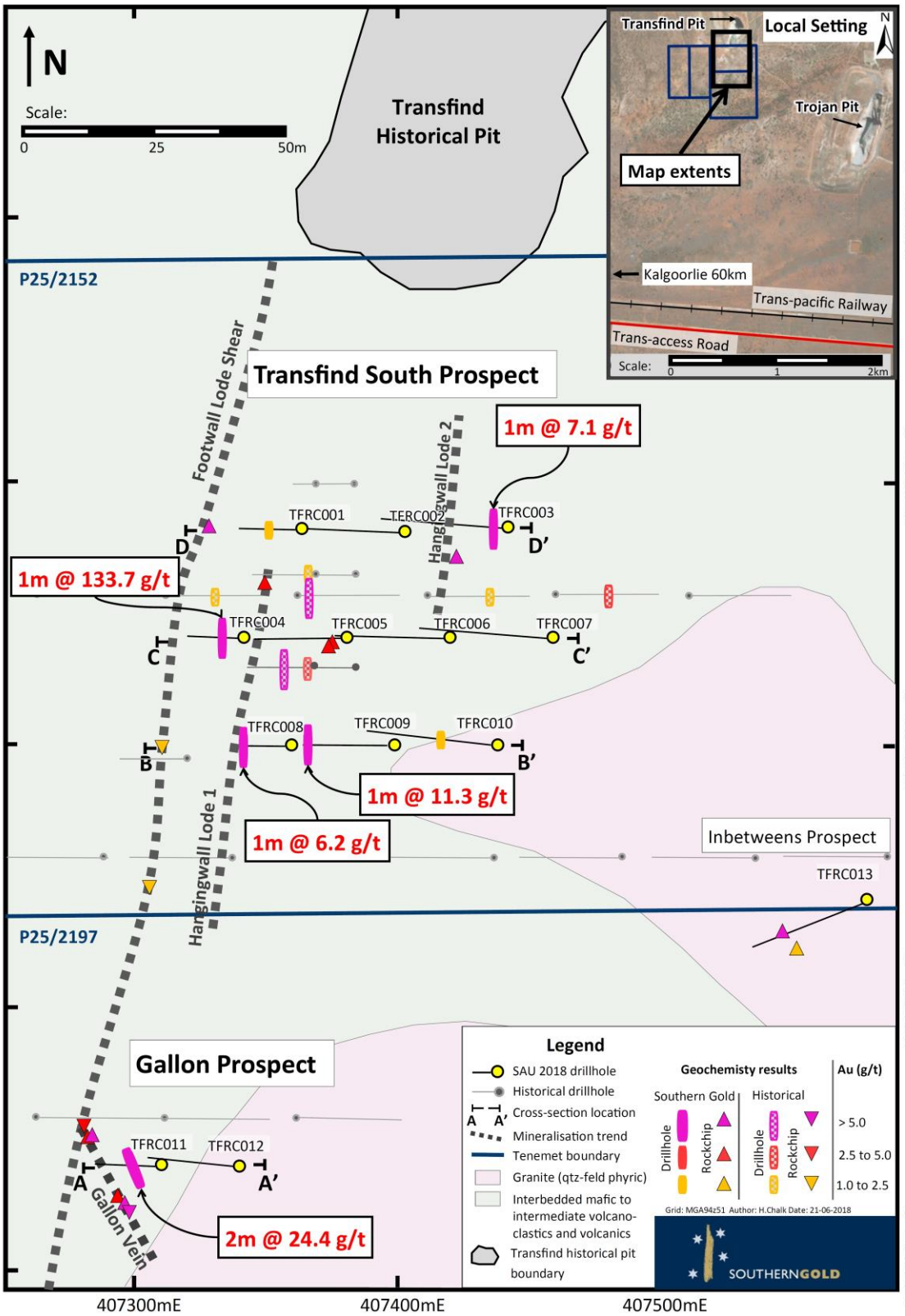


Figure 1: Photo of coarse free gold panned from TFRC011, 21 to 24m, Gallon Prospect.

Table 1: Transfind Significant RC Drill Intersections >1.0 g/t Au

Hole ID	Prospect		m from	m to	interval (m)		Au average (g/t)
TFRC001	Transfind South		17	29	12	@	0.91
		including	25	29	4	@	1.74
TFRC003	Transfind South		17	18	1	@	7.13
TFRC004	Transfind South		16	23	7	@	19.57
		including	18	19	1	@	133.67
TFRC008	Transfind South		38	41	3	@	2.35
		including	39	40	1	@	6.22
TFRC009	Transfind South		64	70	6	@	3.14
		including	65	66	1	@	11.30
TFRC011	Gallon		21	29	8	@	6.79
		including	22	24	2	@	24.95

Figure 2: Plan of drilling and significant gold occurrences at the Transfind prospect.



A follow up program is planned once additional anomalous (>0.1 g/t) composite interval results have been returned on peripheral holes. As can be seen in the following series of cross sections, there is excellent continuity of high grade down along strike and down dip. Further drilling will be planned to test the depth extensions and geological model of high grade lenticular pods along strike.

While there may be continuity between the Gallon Prospect and Transfind South this is constrained by the main N-S structure (Footwall Lode shear) that bounds the mineralisation to the west, but the Gallon quartz vein appears to be a separate splay structure. This will be tested in the follow up drilling.

Figure 3: Cross-section, Gallon Prospect.

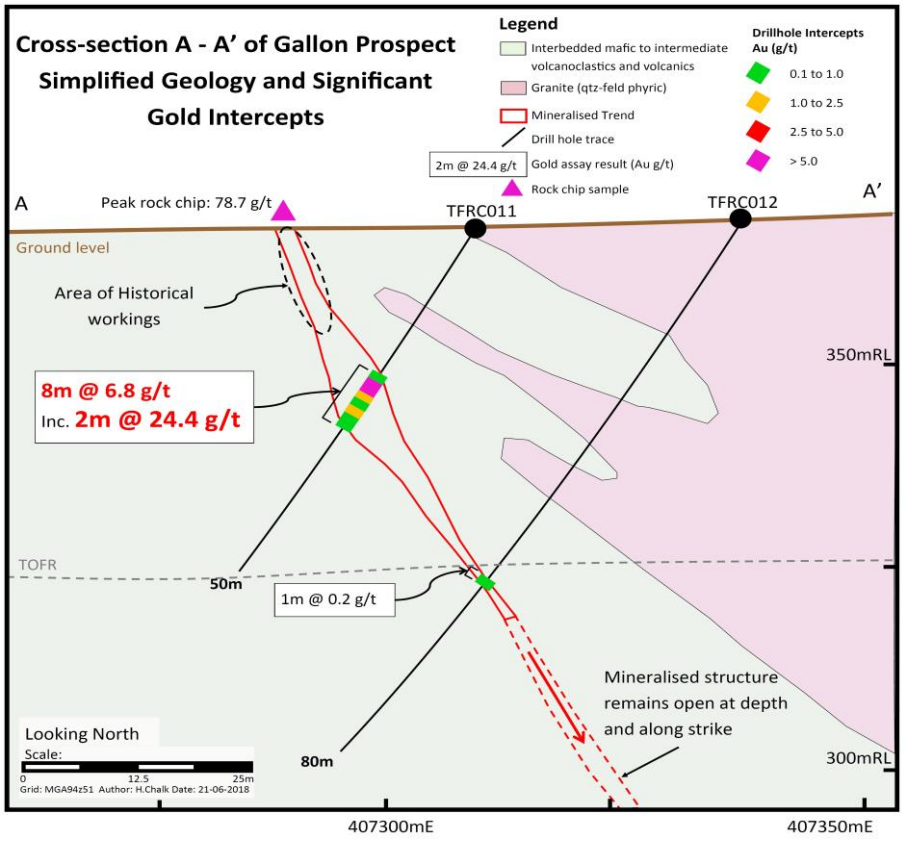


Figure 4: Cross-section 6 581 900mN.

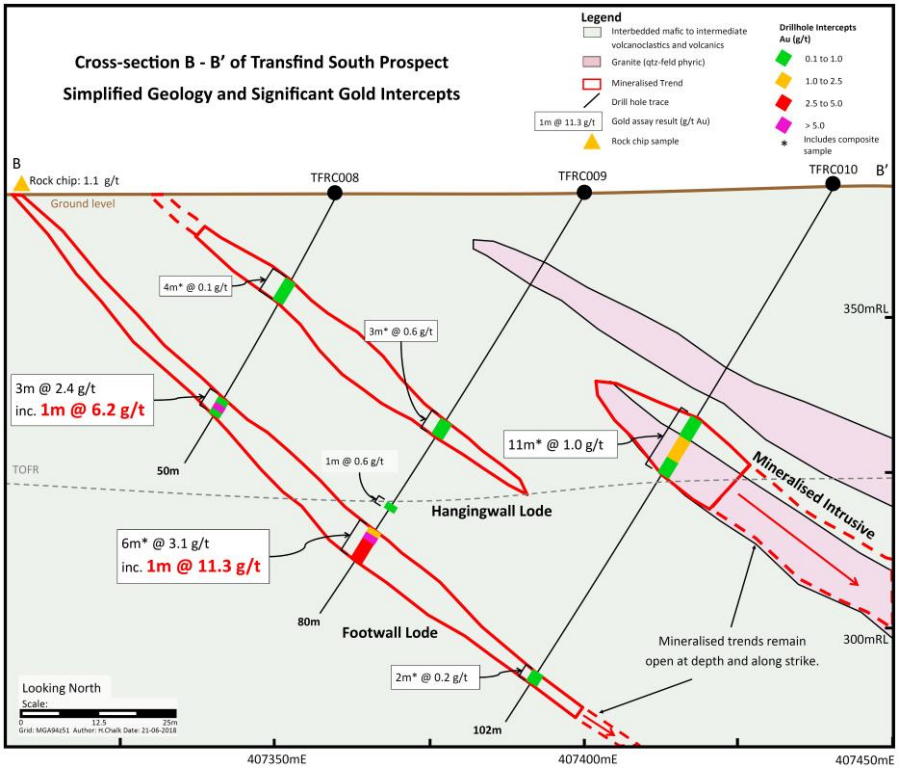


Figure 5: Cross-section 6 581 940mN.

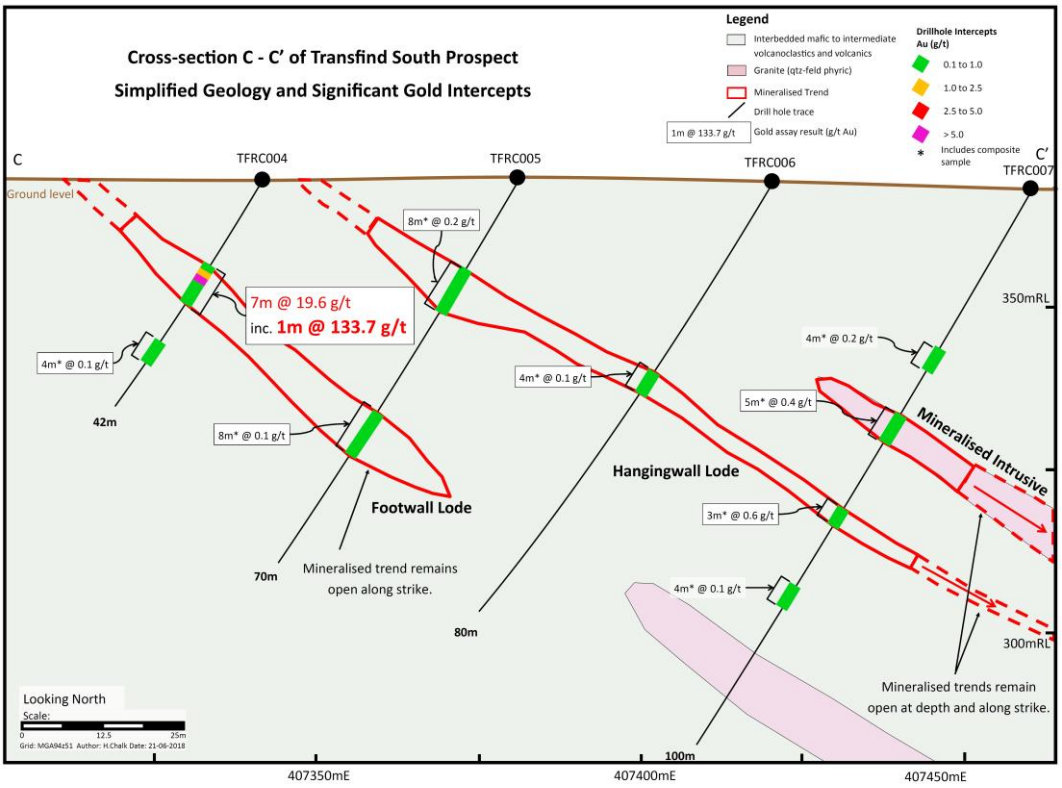
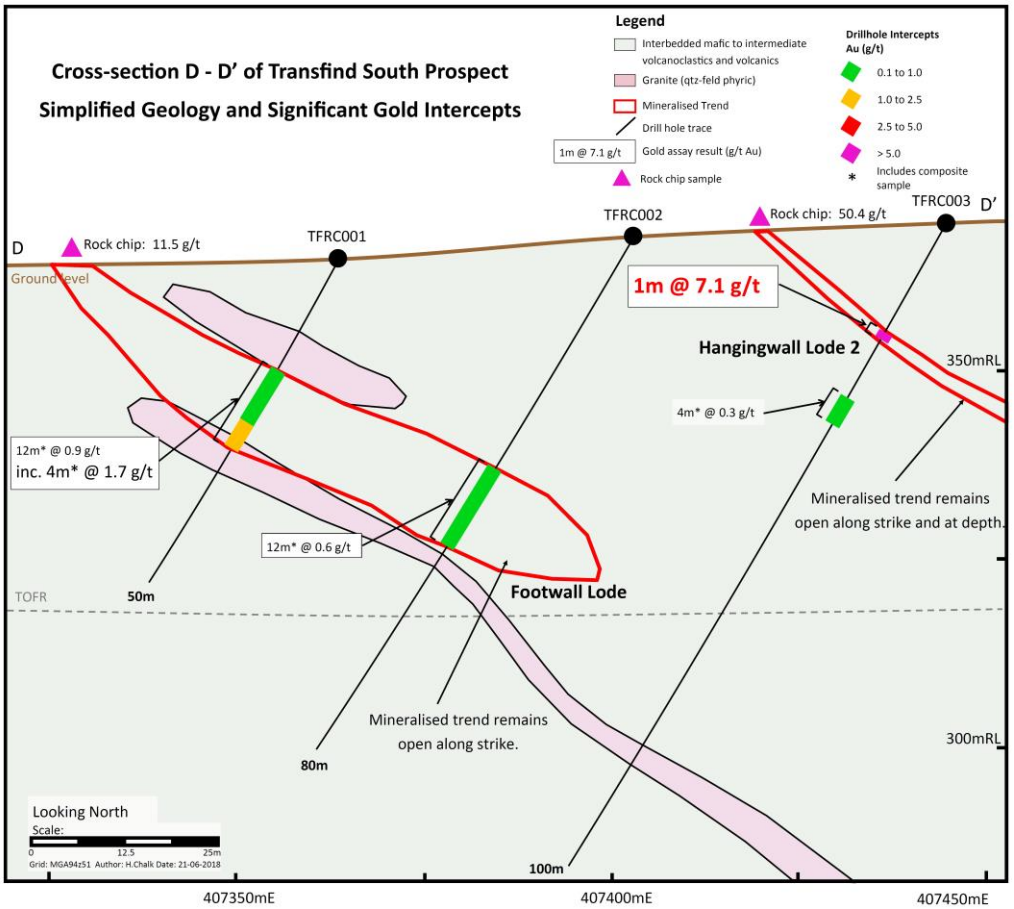


Figure 6: Cross-section 6 581 980mN.



Cowarna Project

A reverse-circulation (RC) drill program was undertaken to test the Southern Gold 100% owned Pryde and Logan gold prospects. Gold targets were outlined by several rounds of historical soil geochemistry and rockchip samples, and recent rock chip sampling and geological mapping completed by Southern Gold in mid-2017.

Drilling at Cowarna was comprised of 16 RC holes for a total of 1649m. Drilling at Pryde and Logan confirmed the presence of gold mineralised zones which may be secondary indications to significant mineralisation at depth. Best intersections at Logan include COWRC003 that returned 8m @ 1.05g/t Au and at Pryde COWRC010 returned 2m @ 1.51g/t Au. See **Table 2** below for details.

Anomalous composite intervals (>0.1g/t Au and >30 ppm As) were re-assayed on the original individual metre samples and all assays have been received and are reported below.

The drilling has delineated the location and dip of the prospective BIF horizons within the northern limits of the Eastern BIF unit. This will allow accurate targeting of the more prospective, stratigraphically lower Maxwell's BIF Member in the upcoming EIS co-funded deep diamond drilling.

Table 2: Cowarna Significant RC Drill Intersections >0.1 g/t Au

Hole ID	Prospect		m from	m to	interval (m)		Au (g/t)
COWRC002	Logan		31	32	1	@	0.17
			85	96	10	@	0.24
		including	88	89	1	@	0.81
COWRC003	Logan		32	40	8	@	1.05
		including	32	33	1	@	3.68
		and	35	37	2	@	1.50
COWRC004	Logan		79	80	1	@	0.16
COWRC010	Pryde		42	43	2	@	1.51
COWRC011	Pryde		38	40	2	@	0.46
COWRC011	Pryde		50	51	1	@	0.13
COWRC014	Pryde		12	14	1	@	0.43
COWRC014	Pryde		16	17	1	@	0.11

Pryde Target

Eight holes (COWRC009 to COWRC016) were drilled for 824m along two sections approximately 100m apart, targeting a NNW trending 300m x 100m +50 ppb gold-in-soil anomaly with coincident rock chip gold results up to 4.5 g/t Au. The anomaly is situated within the Santa BIF unit which includes interbedded siliceous magnetite BIF, mudstone and micaceous greywacke and is aligned along the anticlinal fold axis (**Figures 8 and 9**). Gold grades report to altered and quartz veined BIF and mudstone lithologies. Stratigraphy in the area is folded into a tight anti-form and is strongly folded and faulted. Unlike the Logan prospect, the soil anomaly does not appear to be associated with E-W, cross-cutting faults common in the area.

Anomalous gold grades were concentrated at the base of weathering but coincided with BIF units containing mineralisation in surface rock chips (**Figure 9**). All these occurrences are in the lowest stratigraphic BIF horizons tested in the current phase of drilling. This is highly encouraging for the potential presence of mineralisation within the lower Maxwell's BIF Member. This unit will be targeted in the upcoming EIS co-funded diamond drilling planned for the second half of 2018.

Figure 8: Plan of drilling and significant Au occurrences at the Pryde and Logan prospects.

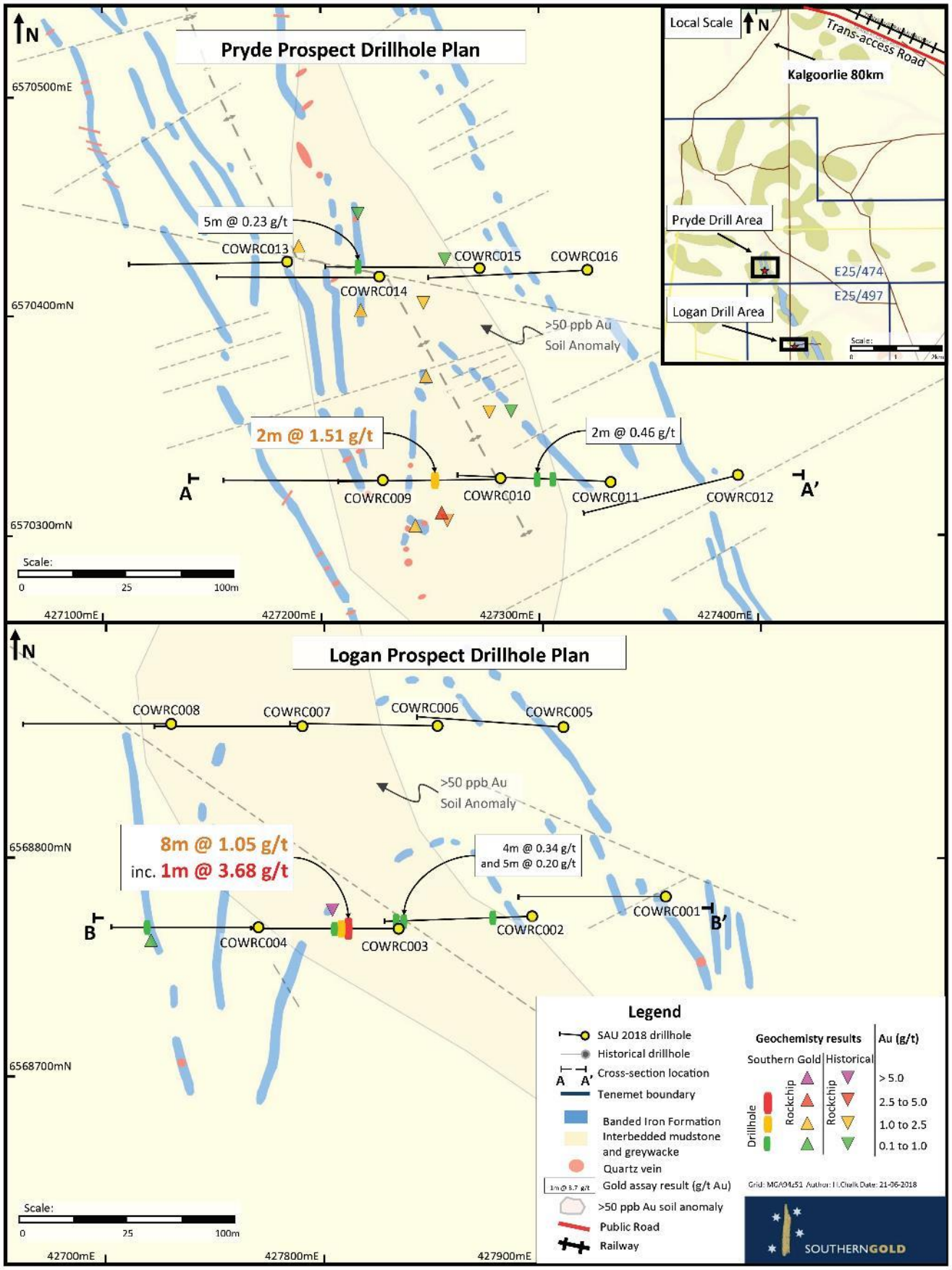
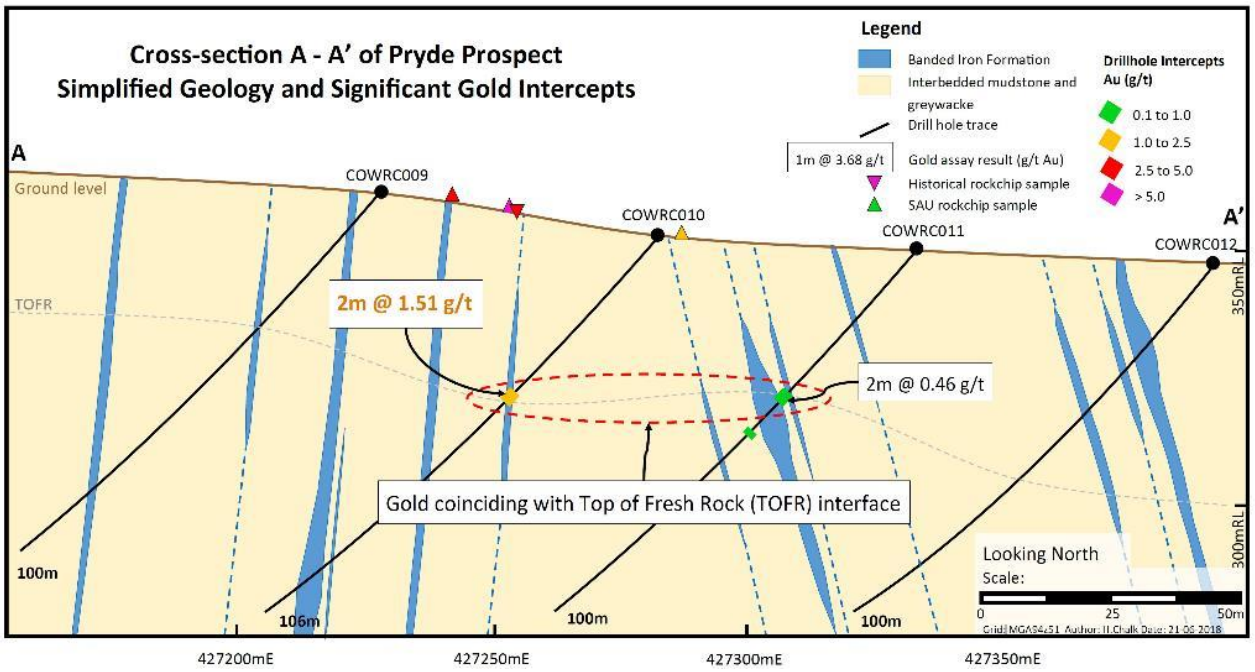


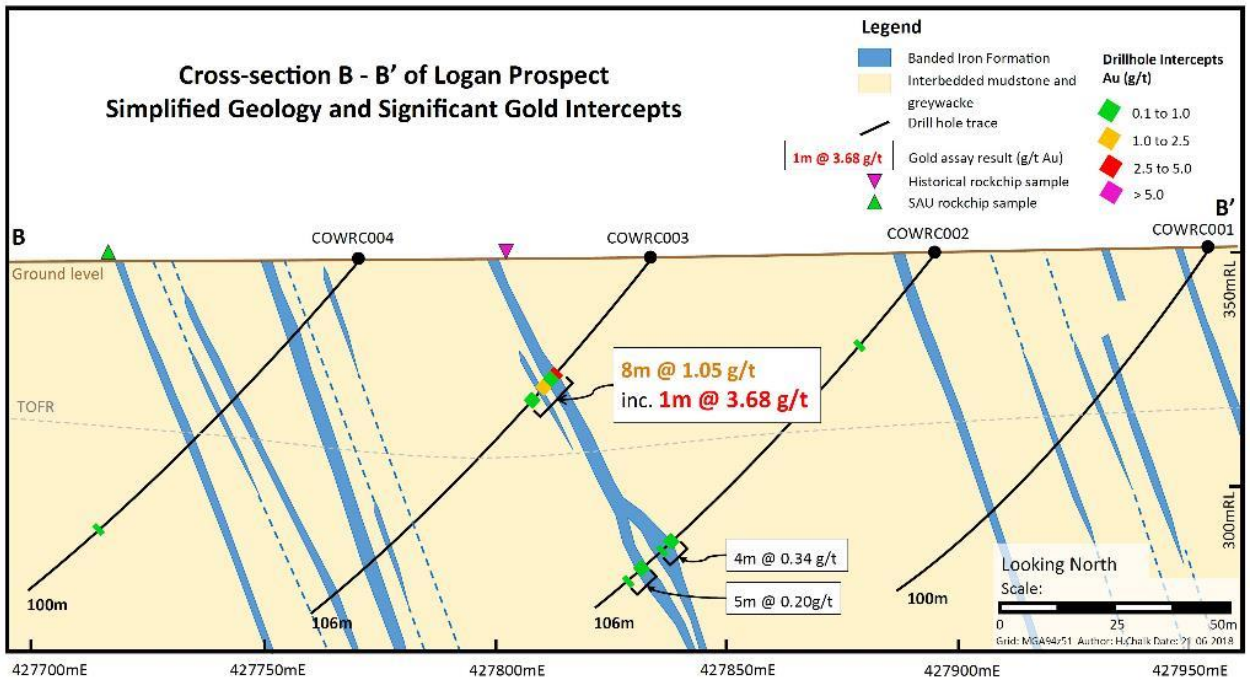
Figure 9: Cross-section Pryde Prospect.



Logan Target

At the Logan prospect eight holes (COWRC001 to COWRC008) were drilled for 824m along two sections approximately 90m apart, targeting a NW trending 300 x 80 m +50 ppb gold in soil anomaly with coincident rock chip gold results up to 6.5 g/t Au. The anomaly is situated within the Santa BIF unit which includes interbedded siliceous magnetite BIF, mudstone and micaceous greywacke (**Figure 8 and 10**). Gold grades report to altered and quartz veined BIF and mudstone lithologies. Stratigraphy in the area is folded into a tight anti-form and is strongly folded and faulted.

Figure 10: Cross-section, Logan Prospect.



As with the Pryde drilling, the intended outcome of this first-pass, wide-spaced drill program was to determine the geometry of the BIF horizons, intersect economic gold mineralisation below the soil anomalism and high-grade rock-chips and to inform a second round of targeted diamond or RC drilling.

Similar to the Pryde mineralisation, the anomalous gold grades were strongly confined to a single BIF horizon which was also the stratigraphically lowest BIF unit intersected. The strongest gold intersections (COWRC003 and COWRC002) are also seen in the core of the anticlinal fold but are closely associated with a NW trending, cross-cutting fault. Further drilling, including diamond drilling will be required to clearly define the nature of the structural controls on mineralisation.

Monument South Project

Monument South drilling was completed on the 9th of April with 16 holes on four sections totaling 1332m (**Figure 11**). The program was designed to test the Southern Gold 100% owned Monument South biogeochemical gold anomaly (**Figure 12**). Two gold targets were outlined by recent biogeochemical sampling completed by Southern Gold in mid-2017. The sampling was designed to test for deeper targets either under transported cover or under barren bedrock. Unfortunately, assay results show very little anomalous gold despite strong zones of alteration and sulphide being present.

Main Target

A total of 12 holes along three sections were designed to test the cover and basement for 100m around the anomalous biogeochemistry. Because significant zones of alteration and sulphides were intersected, it was decided to drill four additional holes into a second anomaly on the western side of the creek.

To further determine the origin of the biogeochemical anomaly, the entire surface of the area was covered with a metal detector to determine if any surface gold is present and contributing to the anomaly. This was a significant factor in the Monument Prospect to the north where over 4,000 ounces of gold were recovered in the top soil by prospectors. However, no significant mineralisation was intersected.

Secondary Target

This feature is a second biogeochemical gold anomaly running parallel to the Monument trend on the western side of the main creek system. The anomalous gold trend on this side of the creek, paralleling the main Monument trend, can also be seen in the auger soil sampling further to the north.

An additional 4 holes were drilled at the same orientation and depth over the anomaly on the western side of the creek. These holes intersected a major fault zone with strong alteration and common sulphides. Unfortunately no significant gold anomalism was reported in the assays.

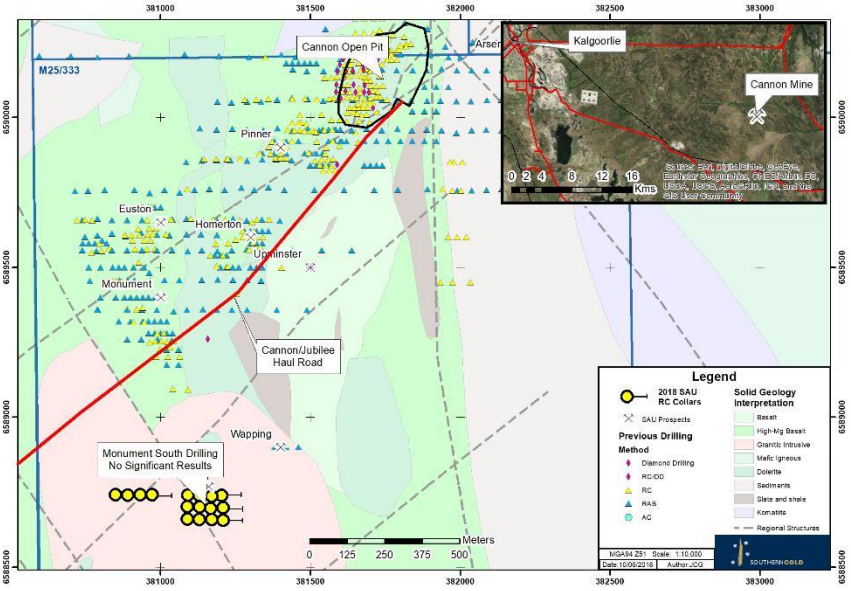
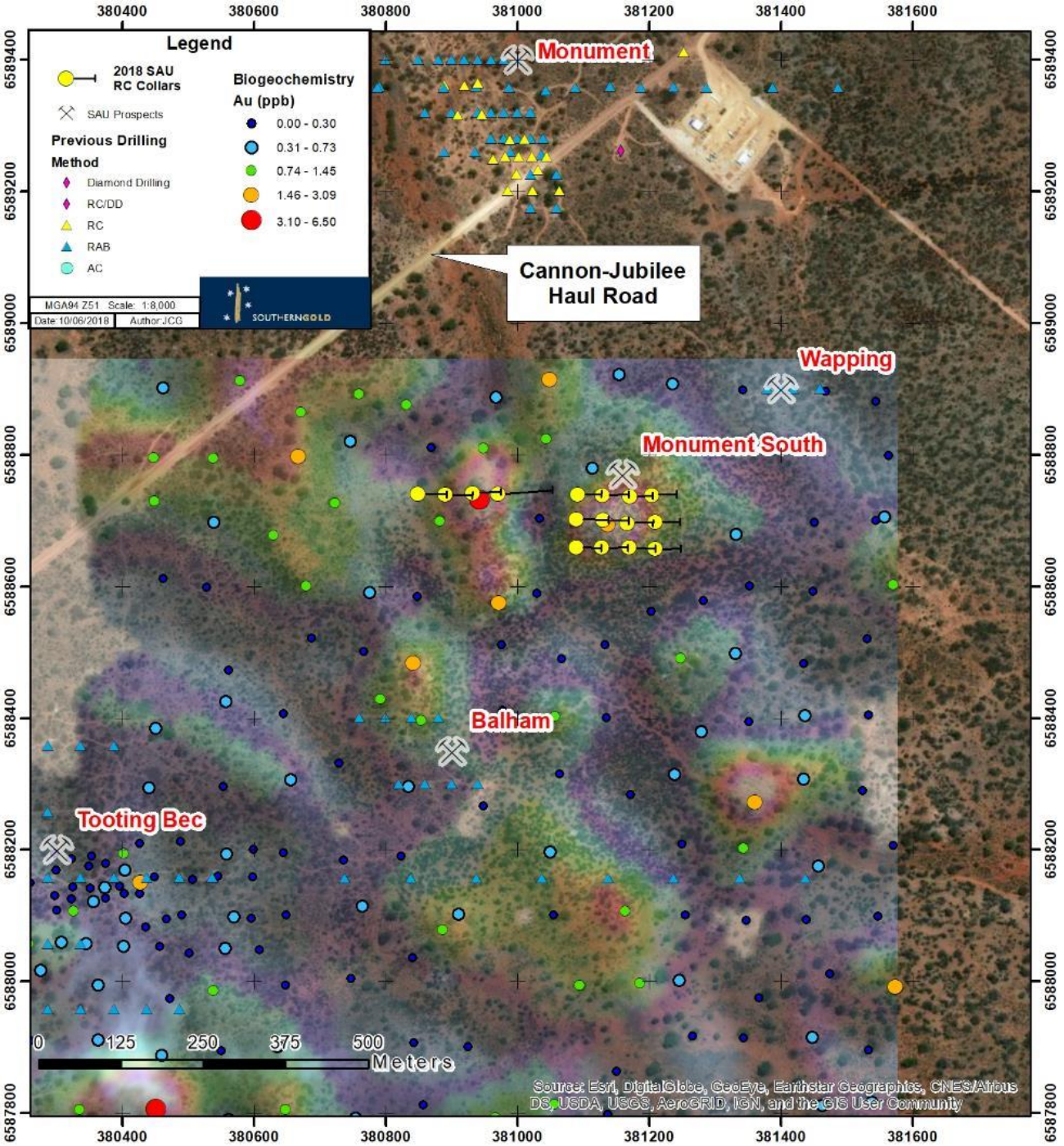


Figure 11: Plan of drilling (previous and current) and geology in the vicinity of the Monument South prospect.

Figure 12: Plan of biogeochemical anomalism at the Monument and Tooting Bec prospects. Grid values were calculated from the individual point show.



Future Work

Southern Gold intends to follow up with a second RC drill program at Transfind South and a follow up review of the Cowarna targets after the completion of an EIS funded diamond drill program targeted for the last quarter of CY2018.

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 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.

Competent Person's Statements

The information in this report that relates to Exploration Results in Australia has been compiled under the supervision of Mr. Justin Gum (MAIG). Mr Gum who is an employee of Southern Gold Limited and a Member of the Australasian Institute of Geoscientist, 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 Gum consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

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.

APPENDIX 1: Drill hole data and significant results

Table 3: Cowarna RC Drilling Results >0.1 g/t Au

Hole ID	Prospect	Depth (m)	Grid ID	Easting	Northing	RL (m)	Dip	Azi	m from	m to	interval (m)	Au (g/t)	Composite
COWRC001	Logan	100	MGA94_51	427954	6568782	351	-51.7	270.1				NSR	
COWRC002	Logan	106	MGA94_51	427895	6568773	350	-51.4	266.7	31	32	1	0.171	
									85	86	1	0.123	
									86	87	1	0.365	
									88	89	1	0.813	
									91	92	1	0.31	
									92	93	1	0.162	
									95	96	1	0.429	
COWRC003	Logan	106	MGA94_51	427834	6568767	349	-51.4	271.0	32	33	1	3.677	
									33	34	1	0.81	
									34	35	1	0.312	
									35	36	1	1.989	
									36	37	1	1.012	
									38	39	1	0.33	
									39	40	1	0.273	
COWRC004	Logan	100	MGA94_51	427773	6568770	349	-49.8	271.8	79	80	1	0.157	
COWRC005	Logan	100	MGA94_51	427908	6568857	347	-48.7	276.0				NSR	
COWRC006	Logan	100	MGA94_51	427848	6568861	345	-49.9	271.4				NSR	
COWRC007	Logan	112	MGA94_51	427785	6568860	344	-49.7	269.4				NSR	
COWRC008	Logan	100	MGA94_51	427748	6568861	346	-50.4	269.7				NSR	
COWRC009	Pryde	100	MGA94_51	427228	6570325	362	-49.6	269.8				NSR	
COWRC010	Pryde	106	MGA94_51	427282	6570325	353	-50.0	283.9	42	43	1	1.915	
									43	44	1	1.1	
COWRC011	Pryde	100	MGA94_51	427333	6570324	356	-49.1	273.0	38	39	1	0.406	
									39	40	1	0.515	
									50	51	1	0.127	
COWRC012	Pryde	100	MGA94_51	427391	6570327	347	-48.7	252.2				NSR	
COWRC013	Pryde	100	MGA94_51	427185	6570425	341	-48.9	267.0				NSR	
COWRC014	Pryde	106	MGA94_51	427227	6570418	357	-47.0	266.9	12	13	1	0.66	
									13	14	1	0.208	
									16	17	1	0.111	
COWRC015	Pryde	100	MGA94_51	427243	6570422	354	-49.2	269.8				NSR	
COWRC016	Pryde	120	MGA94_51	427322	6570421	352	-50.7	262.4				NSR	

Table 4: Monument South RC Drilling Results

Hole ID	Prospect	Depth (m)	Grid ID	Easting	Northing	RL (m)	Dip	Azi	m from	m to	interval (m)	Au (g/t)	Composite
BSRC306	Monument South	80	MGA94_51	381204	6588739	351	-60.0	90.0				NSR	
BSRC307	Monument South	88	MGA94_51	381171	6588737	348	-59.5	88.9				NSR	
BSRC308	Monument South	80	MGA94_51	381129	6588739	348	-59.0	87.7				NSR	
BSRC309	Monument South	80	MGA94_51	381091	6588740	345	-59.6	88.4				NSR	
BSRC310	Monument South	80	MGA94_51	381209	6588698	348	-60.1	90.4				NSR	
BSRC311	Monument South	80	MGA94_51	381167	6588696	355	-59.7	93.4				NSR	
BSRC312	Monument South	80	MGA94_51	381130	6588701	350	-60.3	86.1				NSR	
BSRC313	Monument South	100	MGA94_51	381089	6588702	341	-60.4	90.2				NSR	
BSRC314	Monument South	80	MGA94_51	381209	6588657	345	-60.0	87.1				NSR	
BSRC315	Monument South	80	MGA94_51	381170	6588659	346	-58.8	87.8				NSR	
BSRC316	Monument South	80	MGA94_51	381128	6588659	352	-59.9	90.7				NSR	
BSRC317	Monument South	80	MGA94_51	381089	6588660	352	-60.1	92.3				NSR	
BSRC318	Monument South	124	MGA94_51	380971	6588741	362	-61.5	88.7				NSR	
BSRC319	Monument South	80	MGA94_51	380932	6588742	358	-59.5	88.8				NSR	
BSRC320	Monument South	80	MGA94_51	380890	6588740	360	-59.7	90.1				NSR	
BSRC321	Monument South	80	MGA94_51	380849	6588741	357	-60.0	90.0				NSR	

Table 5: Transfind South RC Drilling Results

Hole ID	Prospect	Depth (m)	Grid ID	Easting	Northing	RL (m)	Dip	Azi	m from	m to	interval (m)	Au (g/t)	Composite
TFRC001	Transfind South	50	MGA94_51	407364	6581981	365	-59.7	270.2	17	20	3	0.11	Y
TFRC001									20	22	2	0.94	Y
TFRC001									22	25	3	0.53	Y
TFRC001									25	29	4	1.74	Y
TFRC002	Transfind South	80	MGA94_51	407403	6581980	368	-59.0	271.8	36	40	4	0.55	Y
TFRC002									40	44	4	0.88	Y
TFRC002									44	48	4	0.21	Y
TFRC003	Transfind South	100	MGA94_51	407445	6581982	375	-59.7	270.9	17	18	1	7.13	
TFRC003									27	31	4	0.33	Y
TFRC004	Transfind South	42	MGA94_51	407342	6581940	370	-58.6	272.3	16	17	1	0.58	
TFRC004									17	18	1	1.13	
TFRC004									18	19	1	133.67	
TFRC004									19	20	1	0.70	
TFRC004									20	21	1	0.66	
TFRC004									21	22	1	0.11	
TFRC004									22	23	1	0.14	
TFRC004									30	34	4	0.13	Y
TFRC005	Transfind South	70	MGA94_51	407381	6581940	370	-60.3	269.9	16	20	4	0.20	Y
TFRC005									20	24	4	0.30	Y
TFRC005									42	43	1	0.13	
TFRC005									43	44	1	0.17	
TFRC005									44	45	1	0.07	
TFRC005									45	46	1	0.12	
TFRC005									46	50	4	0.11	Y
TFRC006	Transfind South	80	MGA94_51	407420	6581940	369	-58.4	269.0	34	38	4	0.13	Y
TFRC007	Transfind South	100	MGA94_51	407460	6581940	368	-60.5	270.0	28	32	4	0.22	Y
TFRC007									40	45	5	0.45	Y
TFRC007									57	60	3	0.59	Y
TFRC007									71	75	4	0.15	Y
TFRC008	Transfind South	50	MGA94_51	407360	6581900	370	-61.4	266.3	16	20	4	0.12	Y
TFRC008									38	39	1	0.29	
TFRC008									39	40	1	6.22	
TFRC008									40	41	1	0.55	
TFRC009	Transfind South	80	MGA94_51	407400	6581900	370	-59.4	267.5	43	46	3	0.62	Y
TFRC009									59	60	1	0.63	
TFRC009									64	65	1	1.18	
TFRC009									65	66	1	11.30	
TFRC009									66	70	4	3.15	Y
TFRC010	Transfind South	102	MGA94_51	407440	6581900	371	-60.0	267.0	43	47	4	0.98	Y
TFRC010									47	51	4	1.23	Y
TFRC010									51	54	3	0.59	Y
TFRC010									92	93	1	0.24	
TFRC010									93	94	1	0.10	
TFRC011	Gallon	50	MGA94_51	407310	6581740	367	-60.0	269.8	21	22	1	0.10	
TFRC011									22	23	1	21.07	
TFRC011									23	24	1	28.82	
TFRC011									24	25	1	1.47	
TFRC011									25	26	1	0.98	
TFRC011									26	27	1	1.51	
TFRC011									27	28	1	0.26	
TFRC011									28	29	1	0.13	
TFRC012	Gallon	80	MGA94_51	407340	6581740	368	-59.1	271.1	53	54	1	0.20	
TFRC013	Inbetweens	100	MGA94_51	407580	6581840	372	-58.0	245.0	52	56	4	0.11	Y
TFRC013									68	72	4	0.12	Y
TFRC013									96	100	4	0.20	Y

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• ***Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*** • ***Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*** • ***Aspects of the determination of mineralisation that are Material to the Public Report.*** • ***In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.***	• Drill holes were sampled using face sampling reverse circulation (RC) percussion drilling. • Drill holes were sampled at 1m intervals from a cone-splitter via a cyclone connected directly to the drill stream. Individual RC drilling samples were collected into pre-numbered calico bags. Composite samples ranging from 2 to 5m were collected by spearing remaining sample stored in individual meter plastic bags. Anomalous composite drill intercepts are re-assayed at 1m intervals from original calico bags collected off the cone-splitter. • Each sample sent to the lab was greater than 500g. Samples greater than 3kg were riffle split at the preparation facility to under 3kg before being pulverised. All samples between 500g and 3kg were completely pulverised before being split to produce a 50g charge for fire assay, and a 10g charge for multi-element analysis.
Drilling techniques	• ***Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).***	• Face sampling reverse circulation percussion drilling was the drilling technique used. A 4.5-inch hammer bit was used.
Drill sample recovery	• ***Method of recording and assessing core and chip sample recoveries and results assessed.*** • ***Measures taken to maximise sample recovery and ensure representative nature of the samples.*** • ***Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.***	• A comment field on the hard-copy and digital sample log sheets is filled out with any information concerning sample recoveries. • Sample loss and contamination was kept to a minimum by maintaining good sampling and drilling practices. Sampling intervals during RC drilling were routinely checked by comparing the position of the drill rod against the sample bag being filled. Drilling of RC holes was conducted with machinery and using drilling techniques appropriate to the terrain and with drillers experienced in the area. Cone splitting of RC holes provided good representation of the intervals sampled. • No recovery issues were identified with drill holes within ore zones. Loss of fines at the cyclone was minimal and is not considered to have had a significant effect on sample recovery. No relationship

Criteria	JORC Code explanation	Commentary
		has been noted between sample recovery and grade. Overall, sample recoveries were very high and did not present a problem.
Logging	• ***Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*** • ***Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*** • ***The total length and percentage of the relevant intersections logged.***	• All drill holes have been geologically logged by Company geologists using a standard format over the whole length of each hole. Features for each sample or geological interval recorded, where observable, included weathering, lithology, alteration mineralogy, structure, mineralisation mineralogy, veining, vein mineralogy, and proportions of non-economic minerals. Magnetic susceptibility was taken for each meter. • Geological logging recorded factual data (e.g. colour, grain size, percentage of identifiable minerals present) and interpretative data (e.g. lithology). • A subsample of washed and sieved RC chips from each metre was collected and stored sequentially in numbered plastic chip trays. Chips trays representing each RC drill hole are stored in the Company's field office in Kalgoorlie.
Sub-sampling techniques and sample preparation	• ***If core, whether cut or sawn and whether quarter, half or all core taken.*** • ***If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*** • ***For all sample types, the nature, quality and appropriateness of the sample preparation technique.*** • ***Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*** • ***Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*** • ***Whether sample sizes are appropriate to the grain size of the material being sampled.***	• RC samples were sampled from a cone splitter attached to the drill rig at 1m intervals. The sample was dry most of the time. If wet sample was returned the cyclone and splitter were cleaned. • Sample was captured in calico bags attached to the cone splitter at one-meter intervals. Sample size collected for analysis was approximately 2-3kg. • All sample intervals and corresponding sample numbers were double checked to ensure samples were representative. No selective sampling was undertaken. • Field duplicates were collected every 1 in 17 drill samples on each hole, and results obtained returned a correlation coefficient of 0.886 (Cowarna), and 0.99 (Transfind). As very few results were above detection at Monument South, no correlation coefficient could be calculated. • Preparation and analysis of samples was undertaken by Minanalytical at their Kalgoorlie and Perth facilities. Samples were pulverised to 85% passing 75 micron.
Quality of assay data and laboratory tests	• ***The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*** • ***For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*** • ***Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.***	• Gold was analysed by Minanalytical method FA50AAS, consisting of a 50g charge fire assay followed by atomic absorption spectroscopy at a detection limit of 0.005ppm Au (gold). No strong nugget effect was observed in repeated assays at Cowarna and Monument South. A nugget effect was observed at Transfind due to coarse free-gold mineralisation style. Future programs will investigate screening of samples prior to fire assay. An aqua regia digest was used to produce a solution which was then analysed for a 61 element suite with detection by ICP-OES / ICP-MS (MA4031) methods. • No data from geophysical tools were used to determine grade control assay results. A gravitometer was used to record the magnetic susceptibility for each meter, data is used for lithological and mineralogical studies.

Criteria	JORC Code explanation	Commentary
		• The QAQC protocol used consisted of certified reference materials plus blanks, each inserted at a rate of 1:20, Totalling 3 QAQC samples per 17 Drill samples submitted. Field duplicates were collected every 17th drill sample and returned an Au correlation coefficient of 0.886 (Cowarna) and 0.99 (Transfind). As very few results were above detection at Monument South, no correlation coefficient could be calculated. Blanks were inserted 1 for every 17 drill samples and returned no Au results greater than four times the detection limit in all three programs. External standards were inserted 1 in every 17 drill samples and no results were outside of three standard deviations of the expected value for all three programs. 30 lab repeats at Transfind returned a correlation coefficient of 0.99, 30 lab repeats at Cowarna returned a correlation coefficient of 0.96. As very few results were above detection at Monument South, no correlation coefficient could be calculated on the results.
Verification of sampling and assaying	• ***The verification of significant intersections by either independent or alternative company personnel.*** • ***The use of twinned holes.*** • ***Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*** • ***Discuss any adjustment to assay data.***	• Significant intersections were verified by the Competent Person (Dr Justin Gum). • Twinned holes have not been drilled. • All geological logging and sampling data is recorded on computer software. Sampling data is also recorded by hand onto sampling sheets and re-checked before submission to the lab. Data is then stored on the Company database after validation. Original sampling sheets are filed in the Company's Adelaide Office. The assay database is stored securely on the Company's server which is backed up routinely both on and offsite. • No adjustments are made to the assay data after review of QAQC measures as stated above.
Location of data points	• ***Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*** • ***Specification of the grid system used.*** • ***Quality and adequacy of topographic control.***	• Drill hole collar positions have been surveyed by Handheld GPS to an accuracy of +/- 3m. Holes were down-hole surveyed by Gyro tool (Axis Mining CHAMP Gyro) in the rod stream by WDA of Darwin, N.T. and Kalgoorlie, W.A. • The grid system used for locating the collar positions of drill holes is the Geocentric Datum of Australia (GDA94), Zone 51 (MGA Projection). Elevations are recorded in Australian Height Datum (AHD). • Topographic control in the area is provided by point measurement using a handheld GPS.
Data spacing and distribution	• ***Data spacing for reporting of Exploration Results.*** • ***Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*** • ***Whether sample compositing has been applied.***	• The average drill hole spacing was approximately 60m for Cowarna and 40m for Transfind and Monument South. • No Mineral Resource has been calculated. • Sample compositing (4m intervals) was applied where sampling interpreted, non-mineralised lithologies. Where anomalous results were obtained (>0.1g/t Au and 30 ppm As) the originally sampled individual meter samples were submitted to the lab for analysis as described above. All mineralised intervals at Cowarna have been reported on un composited samples. Results for individual intervals at Transfind are still pending so composited intervals

Criteria	JORC Code explanation	Commentary
		are reported and are noted were reported. No anomalous composites were reported at Monument South.
Orientation of data in relation to geological structure	• ***Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*** • ***If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.***	• Interpreted orientations from current and historic drilling indicate that drilling is at a high enough angle to lithological boundaries and structural trends to indicate that sampling is unbiased by the direction of drilling.
Sample security	• ***The measures taken to ensure sample security.***	• RC samples are placed into pre-numbered calico bags directly from the splitter under the supervision of the rig geologist. The Field Technician placed the calico bags containing the drill sample into polyweave bags under the supervision of the Company Geologist. Polyweave bags were then securely shut and transported to the sample preparation laboratory where a sample submission form is completed by the Geologist. The details entered onto the sample submission form are the means by which the samples are tracked through the laboratory. The laboratory provides the Company with a reconciliation of samples submitted compared to samples received.
Audits or reviews	• ***The results of any audits or reviews of sampling techniques and data.***	• No audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• ***Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*** • ***The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.***	***Cowarna Project:*** • The Pryde Prospect is secured by E25/474 and the Logan Prospect is secured by E25/497 and are located ca. 80km ESE of Kalgoorlie, WA. The tenements are held by Southern Gold Ltd. The Pryde and Logan Prospects fall within the Department of Biodiversity, Conservation and Attractions Randell Timber Reserve. A Conservation Management Plan is required to be approved by the Minister for Environment and the Minister for Mining before ground disturbing works can be undertaken. Further consultation is required for future works to be approved. ***Transfind Project:*** • The Transfind Project tenure that was drilled on is secured by P25/2152 and P25/2197 and are located ca. 50km E of Kalgoorlie, WA. The tenements are held by Roger Lindsay. Southern Gold has negotiated an option to buy the tenements if it completes 2000m of drilling before the end of January 2019. ***Monument South Project:*** • The Monument South Prospect is secured by the 100% Southern Gold Ltd owned M25/333 and is located ca. 30km E of Kalgoorlie, WA.
Exploration done by other parties	• ***Acknowledgment and appraisal of exploration by other parties.***	***Cowarna:*** • The Pryde and Logan Prospects had no historical drilling testing the same target. Historical surface geochemistry and airborne magnetic data were studied when designing the drill program. ***Transfind:*** • The Transfind South Prospect has had 2 or more rounds of wide spaced historical drilling completed, historical soil sampling and historical rock chip sampling. Historical information was consulted when designing the SAU drilling program. The historical drilling was appraised by SAU staff as not adequately testing the Transfind South, Gallon, or Inbetweens prospects. ***Monument South Project:*** • The Monument South prospect has had regional soil sampling and detailed soil auger sampling across the area. SAU staff appraised the data and assessed that the surface soil sampling has not adequately tested the potential for mineralisation under cover in the majority of the prospect area.
Geology	• ***Deposit type, geological setting and style of mineralisation.***	• The Cowarna prospects are BIF-hosted, orogenic gold mineralisation. The Transfind prospects are volcanic and volcanoclastic, shear zone hosted quartz vein orogenic gold

Criteria	JORC Code explanation	Commentary
		mineralisation. The Monument South prospects are felsic intrusive, shear zone hosted quartz vein orogenic gold mineralisation.
Drill hole Information	• ***A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*** ○ ***easting and northing of the drill hole collar*** ○ ***elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*** ○ ***dip and azimuth of the hole*** ○ ***down hole length and interception depth*** • ***If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.***	• A summary of exploration results showing the drill hole collar details and range of downhole intercept widths and associated grades is shown in **Tables 3, 4** and **5** of this release.
Data aggregation methods	• ***In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*** • ***Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*** • ***The assumptions used for any reporting of metal equivalent values should be clearly stated.***	• No weighting average techniques or grade aggregations have been reported in this release in relation to Exploration Results. • No metal equivalent values have been reported***.***
Relationship between mineralisation widths and intercept lengths	• ***These relationships are particularly important in the reporting of Exploration Results.*** • ***If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*** • ***If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').***	• Modelling of results indicate drill direction is at a high enough angle to lithological contacts and structural trends as to provide non-biased sampling.
Diagrams	• ***Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.***	• Appropriate maps and sections are presented in the body of the report.
Balanced reporting	• ***Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.***	• Results from all holes have been reported.
Other substantive exploration data	• ***Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.***	• All relevant observations have been noted in the release.