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Southern Hemisphere Mining Limited

ACN 140 494 784

Annual Report

30 June 2025

Corporate directory

Board of Directors

Mr Mark Stowell (Chairman)

Mr David Frances

Mr Richard Caldwell

Mrs Natalie Dawson

Company Secretary

Mr Keith Bowker

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Securities Exchange

Australian Securities Exchange
Website: www.asx.com.au
ASX Code: SUH

Frankfurt Stock Exchange
Website: www.boerse-frankfurt.de/en
FWB Code: N4K

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Chairman's letter

Dear Shareholder

It is my pleasure to present the Annual Report for Southern Hemisphere Mining Limited for the financial year ended 30 June 2025—a year of meaningful progress at our flagship Llahuin copper-gold-molybdenum project in Chile.

In a global environment more positive for minerals, particularly copper and gold, our team remained focused on delivering value through disciplined exploration, technical excellence, and strategic partnerships. The results speak for themselves: a significantly upgraded Mineral Resource Estimate at Llahuin and the formation of a transformative joint venture with FMR Resources Limited (ASX: FMR) to drill the large deep Curiosity-Southern Porphyry copper gold target.

The cornerstone achievement of FY25 was the release of a JORC (2012) Mineral Resource Estimate for the Llahuin Project, announced in July 2025. The resource stands at **218 million tonnes measured, indicated and inferred at 0.38% copper equivalent (CuEq)**, incorporating copper, gold, and molybdenum across the Central Porphyry, Cerro, and Ferro zones. Notably, over 150 million tonnes have been classified as Measured, reflecting the geological continuity and confidence established through recent drilling and re-logging programs.

This confirms Llahuin's scale and development potential, and provides a robust platform for a lot more drilling to increase tonnes and grades which then feed into future feasibility studies, permitting etc. The project's location in central Chile, with proximity to infrastructure and a supportive mining jurisdiction, is a major positive for future development.

In parallel with the resource upgrade, we were pleased to formalise a joint venture with FMR Resources, a respected Australian exploration group with deep drilling operational expertise. This partnership is focused on drilling the Curiosity-Southern Porphyry target—a newly defined zone at the Southern end of the broader Llahuin Valley copper system.

The Curiosity-Southern Porphyry target was identified through integrated interpretation of IP, MT, geochemistry and magnetic datasets, combined with structural mapping and re-logged drill data. The alignment of these datasets, along with alteration assemblages and geochemical vectors, suggests the potential for a large porphyry centre at depth—potentially analogous to other large-scale systems in the Andean belt such as Valeriano (Atex Resources ATX.V) which is now growing in excess of 1.4bn tonnes inferred at 0.67% CuEq.

Drilling is scheduled to commence as this goes to print so we hope to have some positive results to report in due course.

Throughout FY25, we maintained a disciplined approach to capital allocation, directing funds towards high-impact exploration and strategic development. Our cost base remains lean. We continue to evaluate opportunities to optimise our asset base and enhance shareholder value through selective partnerships and technical advancement. The Cardawan project in WA acquired during the year is one such early-stage copper prospect that we will commence working up to drill stage.

On behalf of the Board, I extend my sincere thanks to our shareholders for their continued support, to our team, consultants and contractors for their dedication and professionalism, and to our partners FMR Resources—for their collaboration and shared vision.

Southern Hemisphere Mining is building momentum. The technical foundations are now in place, the partnerships are strong, and the opportunities potentially arising from the deep drilling starting next month have our board and team on the edge of our seats!

Yours sincerely,



Mark Stowell
Chairman
Southern Hemisphere Mining Limited

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Cautionary statements

Forward-looking statements

The annual report may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Southern Hemisphere Mining Limited undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of the annual report (subject to continuous disclosure requirements under the ASX Listing Rules).

The information in the annual report does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in the annual report constitutes investment, legal, tax or other advice.

Previous Disclosure – 2012 JORC Code

The information in the annual report that relates to specific exploration results, exploration targets and exploration data for the Company's Projects were extracted from previously released ASX announcements.

A copy of such announcements are available to view on the Company's website www.shmining.com.au. The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Resources are reported above a copper equivalent (CuEq) cut-off grade of 0.22% CuEq. The CuEq calculation is based on metal prices of US$3.50/lb Cu, US$3,000/oz Au, and US$20/lb Mo.

Preliminary metallurgical recoveries from closed circuit flotation testwork confirmed no deleterious elements:
Cu 84–91%, Au 41–57%, Mo ~14–56%. CuEq formula: Cu % + (Au g/t × 1.25) + (Mo % × 5.7).

The CuEq values presented in the MRE are based solely on in situ metal grades and relative metal prices only. For comparison purposes 100% recovery has been assumed across all metals in the CuEq calculation. These assumptions are offset by the use of conservative metal prices and appropriately selected cut-off grades.

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Directors' report

The directors of Southern Hemisphere Mining Limited ("the Company") and its controlled entities ("the Group") submit herewith the annual report of the Group for the financial year ended 30 June 2025. To comply with the provisions of the *Corporations Act 2001*, the directors report as follows.

Information about the directors

The names and particulars of the directors of the Company during or since the end of the financial year are:

Mr Mark Stowell	Non-Executive Chairman (appointed 1 November 2019).
Qualifications	Chartered Accountant.
	Mr Stowell has over 20 years of corporate finance and resource business management experience. He served as manager in the corporate division of Arthur Anderson and subsequently in the establishment and management of a number of successful ventures as principal, including resource companies operating in Australia and internationally.
	Mr Stowell was a founder director of Anvil Mining Ltd (Democratic Republic of Congo), a copper explorer and developer, for seven years until 2000. He was a founder and Non-Executive Director of Incremental Petroleum Limited, an oil and gas producer with operations in Turkey and the USA, until its takeover by a USA operator. He was Chairman and founder of Mawson West Ltd, a copper producer and explorer which completed an IPO on the Toronto Stock Exchange in one of the largest base metal IPO's of 2011.
Mr David Frances	Non-Executive Director (appointed 5 February 2021).
Qualifications	BSC Geol (Hons).
	Mr Frances is an international mining executive with a track record of developing and or transacting on assets in multiple countries. Most recently he was Executive Chairman at Tiger Resources (Democratic Republic of Congo) where he completed the restructure of both the corporate and operational teams.
	Mr Frances also led Mawson West (TSX: MWE) from 2006 – 2012. He developed MWE from a Western Australian gold hopeful into a significant international copper producer, developer and explorer in the DRC. After delisting the Company from the ASX when it had a market capitalisation of approximately $3 million then successfully completing a transaction with Anvil Mining and subsequently recommissioning and restarting the Dikulushi copper-silver mine as an unlisted public company. MWE then listed on the TSX in one of the largest base metals IPO's in the world for 2011 with a market capitalisation of approximately $250 million.
	Mr Frances also managed the South Australian office for Dominion Mining during the development of the structurally complex, high-grade Challenger gold mine.
Mr Richard Caldwell	Non-Executive Director (appointed 5 February 2021).
Qualifications	Bachelor of Laws, Bachelor of Economics and Post Grade Diploma in Finance.
	Mr Caldwell has a strong background in advising many successful natural resources and high-tech Australian companies and assisting with public listing, equity capital markets and project development financing.
	Mr Caldwell was formerly Head of Corporate Finance and Equity Capital Markets at Stone Bridge, Head of Equity Capital Markets at Burdett Buckeridge and Young and held a number of senior management positions at Citibank in Sydney and JP Morgan in London.
	Mr Caldwell holds a Bachelor of Laws and a Bachelor of Economics from Sydney University. Until recently he was a Fellow of Macquarie University where he conceived and taught the Masters subject of Equity Capital Markets. He also has a Post Graduate Diploma in Finance from Finsia, In 2012, he was appointed as Chairman of the Ascham School Foundation, an unlisted public company. He retired from that role in 2019.
	Mr Caldwell has also chaired and managed Greatcell Solar Limited, a high-tech solar company, from 2005 to 2018 in both executive and non-executive capabilities.

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Directors' report

Mrs Natalie Dawson	Non-Executive Director (appointed 19 December 2022).
Qualifications	Bachelor of Commerce, MBA, CPA.
	Mrs Dawson has significant Australian and international experience as a director / CFO / commercial director.
	Mrs Dawson's experience includes boots on the ground experience at the West Papua Grasberg copper / gold mine, multi-national publicly listed companies (Rio Tinto ASX50, BlueScope ASX50, Whitehaven ASX100, Macmahon ASX100 & Clough ASX200), large scale complex JV projects (including Chevron Gorgon LNG JV $50b & UBS REST JV $750m Renewable Energy) & unlisted public companies Nippon Steel BlueScope ASEAN & Port of Brisbane.
	Mrs Dawson currently provides corporate advisory services to high-net-worth clients & pre-IPO SME's.

The above named directors held office during the whole of the financial year and since the end of the financial year.

Directorships of other listed companies

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Mr Mark Stowell	Kula Gold Limited	Since September 2010
Mr David Frances	Province Resources Limited	Since 3 August 2020
Mr David Frances	Fortuna Metals Limited	Since 4 February 2022

Directors' shareholdings

The following table sets out each director's relevant interest in shares and options in shares of the Company as at the date of this report:

Directors	Fully paid ordinary shares Number	Unlisted share options Number
Mr Mark Stowell	72,000,000	3,000,000
Mr David Frances	1,562,499	1,000,000
Mr Richard Caldwell	25,800,000	1,000,000
Mrs Natalie Dawson	2,134,263	1,000,000

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this directors' report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Share options granted to directors

During and since the end of the financial year, no share options were issued or granted to the directors of the Company and its controlled entities.

Company secretary

Mr Keith Bowker is a qualified Chartered Accountant and holds a Bachelor of Commerce degree from Curtin University, has experience in company secretarial, corporate compliance and financial accounting matters. Mr Bowker was appointed as Company Secretary on 17 June 2022.

Principle activities

The Group's principal activity in the course of the financial year was the exploration and evaluation of projects in Chile for copper, gold, molybdenum and manganese.

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Directors' report

Review of operations

For the 2025 financial year the Group delivered a loss before tax of $2,825,984 (2024: $3,466,646).

As at 30 June 2025, the net assets of the Group is $1,203,699 (2024: $4,009,926).

The cash and cash equivalents as at 30 June 2025 was $1,256,247 (2024: $4,662,668) and the Group had working capital of $1,187,780 (2024: $3,993,527).

Llahuin Copper-Gold Project

The Llahuin Copper-Gold Project is located approximately 350km north of Santiago in Chile.

In July 2025, the Company released a JORC (2012) Mineral Resource Estimate for Llahuin, incorporating results from recent drilling, re-logging, and geophysical reinterpretation. The resource now stands at:

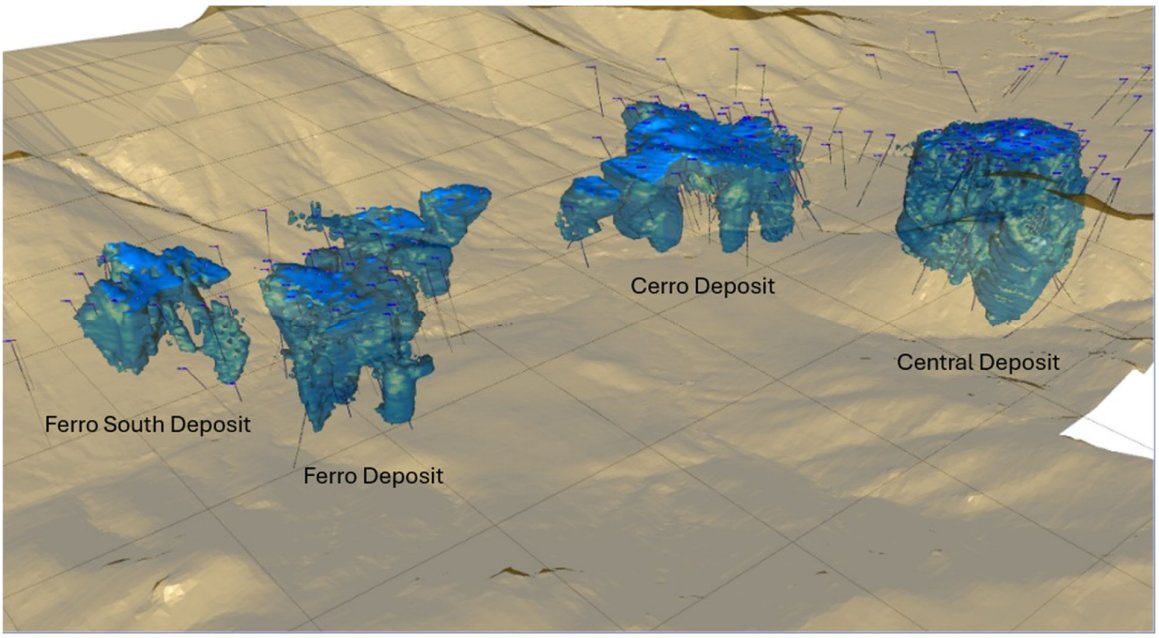
Zone	Measured (Mt) (CuEq%)	Indicated (Mt) (CuEq%)	Total Measured & Indicated (Mt) (CuEq%)	Inferred (Mt) (CuEq%)
Central Porphyry	**90.9 @ 0.42%**	10.2 @ 0.33%	101.1 @0.41%	24.5 @ 0.31%
Cerro	**41.9 @ 0.40%**	4.9 @ 0.32%	46.8@0.39%	13.7 @ 0.32%
Ferro	**19.1 @ 0.32%**	7.1 @ 0.34%	26.2@ 0.32%	5.9 @ 0.32%
Total (rounded)	**151.9 @ 0.40%**	**22.2 @ 0.33%**	**174.1 @ 0.39%**	**44.1 @ 0.31%**
Total Measured, Indicated & Inferred (Mt) (CuEq%)				**218.2 @ 0.38%**

Resources are reported above have a copper equivalent (CuEq) cut-off grade of 0.22% CuEq. The CuEq calculation is based on metal prices of US$3.50/lb Cu, US$3,000/oz Au, and US$20/lb Mo. 100% recoveries have been used as metallurgical testwork is still to be optimised. Preliminary metallurgical recoveries from closed circuit flotation testwork confirmed no deleterious elements: Cu 84–91%, Au 41–57%, Mo ~14–56%. CuEq formula: Cu % + (Au g/t × 1.25) + (Mo % × 5.7).

The CuEq values presented in the MRE are based solely on in situ metal grades and relative metal prices only. For comparison purposes 100% recovery has been assumed across all metals in the CuEq calculation. These assumptions are offset by the use of conservative metal prices and appropriately selected cut-off grades.

Technical Advancements 2025

- Magneto Telluric (MT) geophysical surveys completed and numerous targets identified, including Curiosity-Southern Porphyry Target.
- Reinterpretation of the MT with historical IP and magnetic datasets enhanced structural understanding and better refined drill targeting.
- Surface mapping and geochemical sampling extended known mineralisation and identified new alteration zones.



Llahuin Total Resources 0.2% CuEq grade shell (Looking NE). Grid size 0.5km x 0.5km.

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Directors' report

Curiosity-Southern Porphyry Target

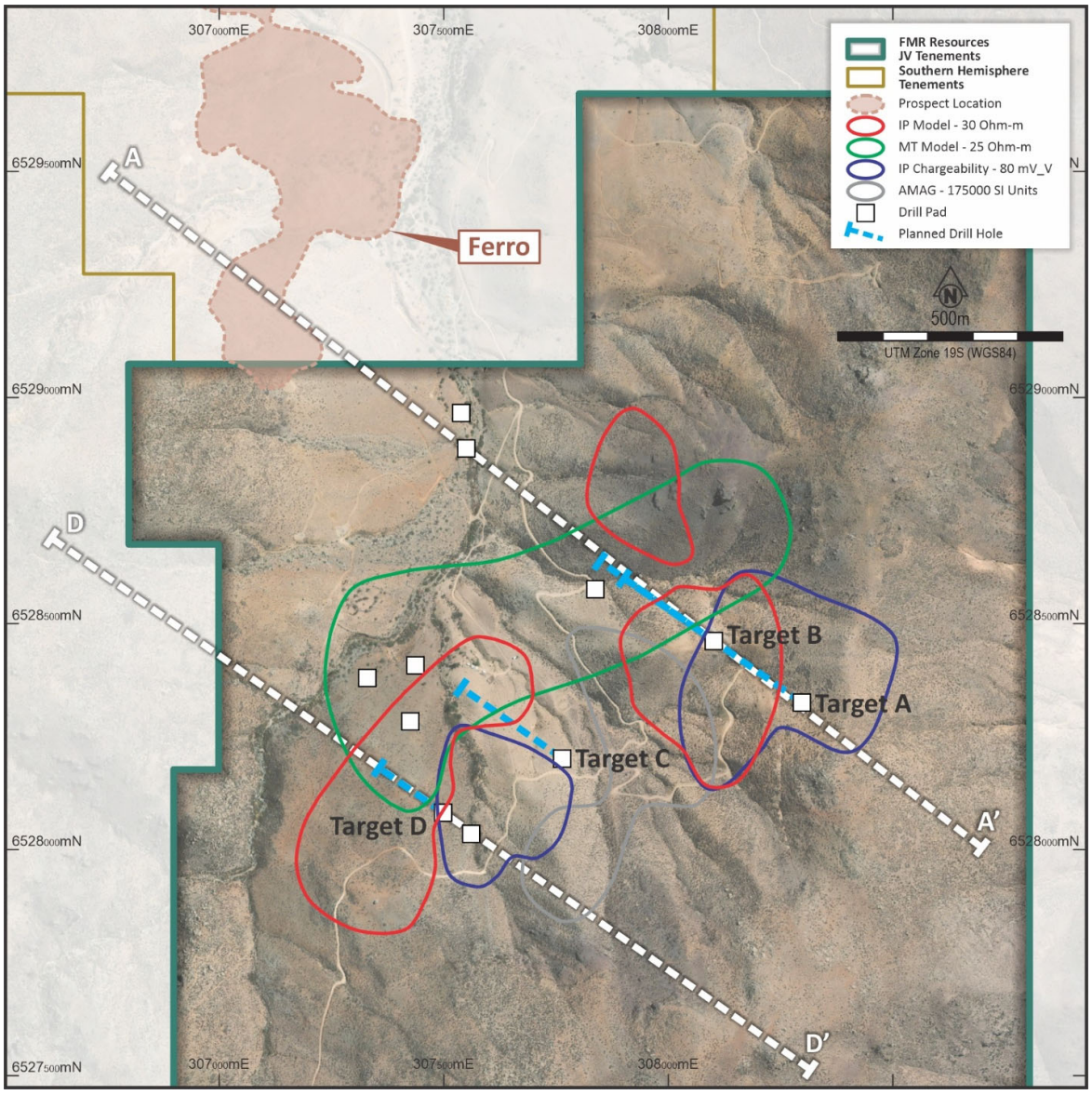
The Company entered into a strategic joint venture with FMR Resources Limited (ASX: FMR) to advance the Curiosity-Southern Porphyry target, located within the broader Llahuin system.

The Curiosity target was delineated through:

- Reprocessed geophysical data (IP, MT, Magnetics)
- Structural mapping and re-logging of historical drill holes
- Identification of alteration assemblages and geochemical vectors consistent with a deeper porphyry-style copper-gold system by a porphyry expert.

Under the JV agreement, FMR will lead exploration activities, with Phase One drilling scheduled to commence in Q3 2025. The program will test high-priority geophysical anomalies and structural corridors interpreted to host porphyry mineralisation at depth.

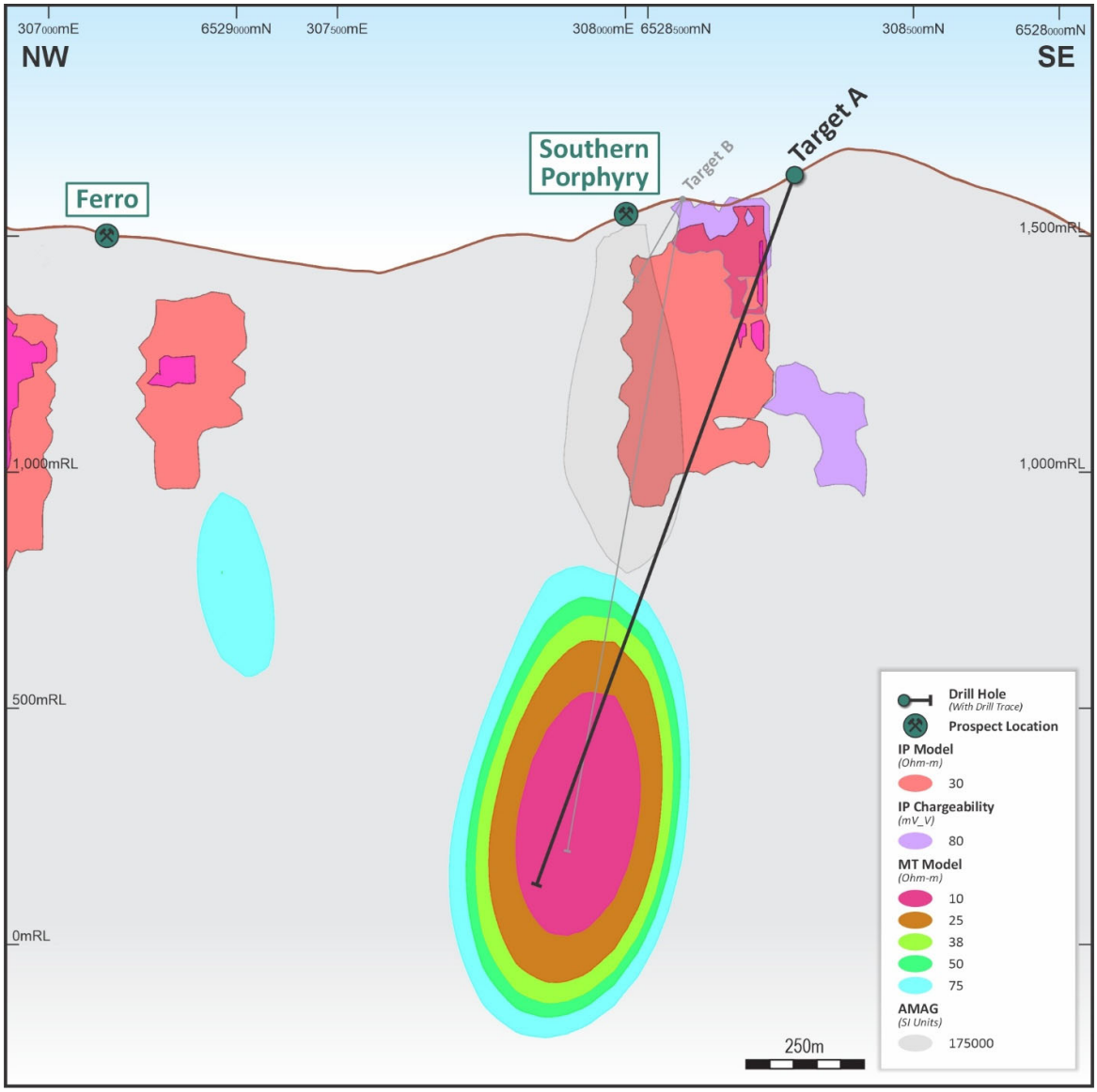
This partnership allows the Company to retain exposure to potential upside while leveraging FMR's technical and financial capabilities. The Curiosity target represents a step-change opportunity that could materially expand the scale and grade of the Llahuin system.



Plan view of Southern Porphyry, showing surface projections of geophysical models, and planned drilling.

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Directors' report



Cross section A-A', Target A, showing geophysical models and proposed drillhole, planned to 1600m downhole depth, testing relatively shallow IP-RES features, interpreted to be related to the Santa Maria epithermal vein system, and a large MT high amplitude feature at depth (+/- 10m window).

Cardawan Copper Project

The Cardawan licence applications (ELA 52/4433 and ELA 52/4434) are located approximately 160km south of Newman, and the Great Northern Highway runs through the project. The tenements are 169 and 8 blocks size respectively. (Approximately 3km^2 per block).

This large copper prospect was pegged based on an exploration concept for sedimentary hosted copper deposits. The historic Kumarina Group of copper deposits and prospects are along strike and in adjacent to other tenements to the east of Cardawan. The Abra lead silver mine is 70km west of the Cardawan Copper Project and the DeGrussa VMS copper gold silver mine is approximately 100km south.

Preliminary exploration work is in progress and as an early-stage low-cost high impact copper prospect in an excellent location both geologically and strategically. Sedimentary hosted copper deposits are common in the Zambian copper belt.

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Directors' report

Colina2 Copper/Gold Project

The Colina2 Copper-Gold Project is located 8km to the northwest of the Llahuin.

There remains a non JORC copper resource on the project which may have some value in the future as additional feedstock to a Llahuin operation.

Titan Battery Minerals - Los Pumas Manganese Project

The Los Pumas Manganese Project is located approximately 175km east of the port city of Arica, Chile. The Company announced a 27.5% increase in the JORC Mineral Ore Resource to 30.26Mt with potential for further expansion via exploration of manganese feeder zones within the orebody which outcrop at surface and have had little to no prior exploration.

The Company has incorporated a wholly owned subsidiary Titan Battery Minerals Technology Pty Ltd to demerge the Los Pumas Manganese Project. The demerger will create a dedicated, globally focused battery minerals and technology company. The Los Pumas Manganese Project is an advanced manganese deposit for which the Company is seeking offtake/JV funding/sale for a long life mine to produce agriculture products for soil improvement, electrolytic manganese for steel making and/or High-Purity Manganese Sulphate Monohydrate ("HPMSM") to supply the electric vehicle and energy storage markets.

Changes in state of affairs

There was no significant change in the state of affairs of the Group during the financial year:

Dividends

There were no dividends paid or recommended during the financial year ended 30 June 2025 or 30 June 2024

Subsequent events

- On 23 September 2025, the Company announced that FMR Resources Limited commenced phase 1 drilling at the Curiosity-Southern Porphyry. The drilling program will be ~4,000m, including the first hole at Target A of 1,600m.
- On 5 August 2025, the Company announced that FMR Resources Limited completed its due diligence to proceed with the Curiosity-Southern Porphyry joint venture. The Company received 937,500 fully paid ordinary shares in FMR at the deemed value of $0.16 per share. These shares shall be escrowed to 5 February 2026.
- On 30 July 2025, the Company announced the Mineral Resource Estimate for the Llahuin Copper-Gold Project of 218Mt at an average grade of 0.38% CuEq.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future developments

The main focus of the Group for the year ahead is copper, gold, molybdenum and manganese exploration in Chile.

Environmental regulations

The Group's exploration and mining operations are subject to environment regulation under the law of Chile. The Group, via its controlled entities holds exploration/mining concessions and permits in Chile thus is subject to the Mining Acts of that country each with specific conditions relating to environmental management.

During the year ended 30 June 2025 no claim has been made by any competent authority that any environmental issues, condition of licence or notice of intent has been breached, and no claim has been made for increase of bond.

The Directors have considered the enacted National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduced a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act has no effect on the Group for the current, nor subsequent, financial year. The Directors will reassess this position as and when the need arises.

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Directors' report

Indemnification of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the directors and all executive officers of the Company against a liability incurred as such a director or executive officer to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company against a liability incurred as such an officer or auditor.

Directors' meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director. The directors communicate regularly and pass most resolutions via circular resolution.

	Directors' Meetings		Audit Committee		Nomination Committee		Remuneration Committee		Finance and Operations Committee	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Mr Mark Stowell	5	5	*At the date of this report, the Remuneration, Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.*							
Mr David Frances	5	4								
Mr Richard Caldwell	5	4								
Mrs Natalie Dawson	5	4								

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit services

During the current and previous financial year, the Company's auditor, Elderton Audit Pty Ltd, did not perform any services other than their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at note 21.

In the event that non-audit services are provided by Elderton Audit Pty Ltd, the directors are satisfied that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- All non-audit services will be reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants* issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration is included after this report on page 14.

Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016 and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

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Remuneration report

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Southern Hemisphere Mining Limited's key management personnel for the financial year ended 30 June 2025. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The prescribed details for each person covered by this report are detailed below under the following headings:

- Key management personnel.
- Remuneration policy.
- Relationship between the remuneration policy and company performance.
- Remuneration of key management personnel.
- Key terms of employment contracts.

Key management personnel

The directors and other key management personnel of the Group during or since the end of the financial year were:

- Mr Mark Stowell Chairman
- Mr David Frances Director
- Mr Richard Caldwell Director
- Mrs Natalie Dawson Director

The named persons held their current position for the whole of the financial year and since the end of the financial year.

Remuneration policy

In assessing the remuneration of its key management personnel, the Group does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on Board discussion. The adoption of this remuneration report is periodically recommended for approval by shareholders via a non-binding resolution at the Company's Annual General Meeting.

The Group currently does not have any executives within its key management personnel however, the Group's policy regarding executives' remuneration is that the executives are paid a commercial salary and benefits based on the market rate and experience designed to promote superior performance and long-term commitment to the Group.

The Group's executive compensation program has three principal components: base salary, incentive bonus plan and incentive share options.

Base salaries for all employees of the Group are established for each position based on individual and corporate performances.

Non-Executive Director remuneration, last voted upon by shareholders at the 2011 Annual General Meeting is not to exceed $500,000 per annum. Directors have no entitlement to termination payments in the event of removal for misconduct.

Incentive bonuses are designed to add a variable component of compensation based on corporate and individual performances. No bonuses were paid during the most recently completed financial year or in the previous financial year.

Key management personnel are entitled to participate in the Group's Employee Incentive Option Plan ('EIOP'), which was approved by shareholders at the 2024 Annual General Meeting. The EIOP is designed to give each option holder an interest in preserving and maximising shareholder value. Such grants are determined by an informal assessment of an individual's performance, level of responsibilities and the importance of his/her position and contribution to the Group.

Relationship between the remuneration policy and company performance

During the Group's exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature during the current and previous financial years.

The Board did not determine the nature and amount of remuneration of the key management personnel by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and previous financial years.

The table below sets out summary information about the Group's earnings and movements in shareholder wealth for the five years to 30 June 2025:

	30 June 2025	30 June 2024	30 June 2023	30 June 2022	30 June 2021
Interest and other income	84,731	610	215	27	495
Loss after tax	(2,825,984)	(3,466,646)	(2,484,793)	(2,887,633)	(1,251,232)
Share price at start of year	0.04	0.017	0.02	0.049	0.0202
Share price at end of year	0.034	0.04	0.017	0.02	0.049
Basic and diluted loss	(0.004)	(0.01)	(0.01)	(0.01)	(0.0063)

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Remuneration report

Remuneration of key management personnel

The table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group:

2025

Group Key Management Personnel	Short-term employee benefits				Post-employment benefits	Long-term employee benefits	Share-based payments		Total
	Salary & fees	Cash bonus	Non-monetary	Other	Super-annuation	Long service	Equity	Options[1]	
	$	$	$	$	$	$	$	$	$
Mr Mark Stowell	161,156	-	-	-	4,025	-	-	41,258	**206,439**
Mr David Frances	35,000	-	-	-	-	-	-	10,314	**45,314**
Mr Richard Caldwell	35,000	-	-	-	4,025	-	-	10,314	**49,339**
Mrs Natalie Dawson	44,000	-	-	-	4,025	-	-	-	**48,025**
	275,156	**-**	**-**	**-**	**12,075**	**-**	**-**	**61,886**	**349,117**

[1] The value of the options granted to key management personnel is calculated as the grant date using a binominal pricing model (refer Employee Incentive Option Plan page 12.

2024

Group Key Management Personnel	Short-term employee benefits				Post-employment benefits	Long-term employee benefits	Share-based payments		Total
	Salary & fees	Cash bonus	Non-monetary	Other	Super-annuation	Long service	Equity	Options[1]	
	$	$	$	$	$	$	$	$	$
Mr Mark Stowell	161,156	-	-	-	3,850	-	-	41,370	**206,376**
Mr David Frances	35,000	-	-	-	-	-	-	10,343	**45,343**
Mr Richard Caldwell	35,000	-	-	-	3,850	-	-	10,343	**49,193**
Mrs Natalie Dawson	53,000	-	-	-	3,850	-	-	-	**56,850**
	284,156	**-**	**-**	**-**	**11,550**	**-**	**-**	**62,056**	**357,762**

[1] The value of the options granted to key management personnel is calculated as the grant date using a binominal pricing model (refer Employee Incentive Option Plan page 12.

The relevant proportions of those elements of remuneration of key management personnel that are linked to performance:

Key Management Personnel	Fixed Remuneration		Remuneration linked to performance	
	2024	2024	2024	2024
Mr Mark Stowell	80%	80%	20%	20%
Mr David Frances	77.2%	77.2%	22.8%	22.8%
Mr Richard Caldwell	79.1%	79%	20.9%	21%
Mrs Natalie Dawson	100%	100%	-	-

No key management personnel appointed during the period received a payment as part of his consideration for agreeing to hold the position.

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Remuneration report

Bonuses and share-based payments granted as compensation for the current financial year

Cash bonuses

There were no cash bonuses paid during the year and there are no set performance criteria for achieving cash bonuses.

Employee incentive option plan

Southern Hemisphere Mining Limited operates an ownership-based Employee Incentive Option Plan ('EIOP') for executives and senior employees of the Group.

In accordance with the terms and conditions of the EIOP, as approved by shareholders at the 2024 Annual General Meeting, each unlisted option converts to fully paid ordinary shares on a one-for-one basis, subject to the following conditions:

- The Company announcing a 30% increase in the Measured and Indicated copper equivalent resource for the Company's Llahuin Copper Gold Project from the current 149mt at 0.41% copper equivalent (611,000t CuEq) to ~800,000t CuEq; or
- A 20 day VWAP (trading days) of 20 cents or above; or
- A change of control event occurs.

No amounts are paid or payable by the recipient on receipt of the unlisted option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. There is no performance-based formula to calculate the number of options each executive or senior employee receives. Options expire on the expiry date and any unvested options expire on the resignation of the executive or senior employee. As at the date of this report the Group had 13,750,000 unlisted options on issue under the EIOP leaving a capacity of 23,062,002.

Terms and conditions of share-based payment arrangements affecting remuneration of key management personnel in the current financial year or future financial years:

Options series	Grant date	Grant date fair value	Exercise price	Expiry date	Vesting dates
1	30 July 2021	$0.0516	Nil	30 July 2026	76.3% vested, 15.8% vested 30 July 2022 7.9% vested 30 July 2023
2	30 July 2021	$0.0516	Nil	30 July 2026	Vested at grant date
3	13 January 2022	$0.0296	Nil	30 July 2026	50% vested 30 July 2022 50% vested 30 July 2023
4	7 July 2022	$0.00883	Nil	30 July 2026	50% vested 7 July 2023 50% vested 7 July 2024

There has been no alteration of the terms and conditions of the above share-based payment arrangements since the grant date.

No share-based payments were granted as compensation to key management personnel during the current financial year. The table below sets out details of share-based payments granted as compensation to key management personnel on 30 July 2021.

Name	Option series	No. granted	No. vested	% of grant vested	% of grant forfeited
Mr Mark Stowell	2	4,000,000	4,000,000	100%	-
Mr David Frances	2	1,000,000	1,000,000	100%	-
Mr Richard Caldwell	2	1,000,000	1,000,000	100%	-

On 11 April 2023, Mr Mark Stowell transferred 1,000,000 unlisted options to Mrs Natalie Dawson for $1. Refer page 4 of the directors' report for the director's current holdings.

The following table summarises the value of unlisted options granted on 30 July 2021, in relation to unlisted options granted to key management personnel as part of their remuneration.

Name	Value of options granted as the grant date [1]
Mr Mark Stowell	$206,400
Mr David Frances	$51,600
Mr Richard Caldwell	$51,600

[1] The value of the unlisted options granted on 30 July 2021 was calculated as at the grant date using the Hoadley Barrier 1 Model.

During the year, no key management personnel exercised options and no options lapsed that were granted to them as part of their compensation, Each option converts into one ordinary share of the Company.

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Remuneration report

Key management personnel equity holdings

Fully paid ordinary shares of Southern Hemisphere Mining Limited

Name	Balance at 1 July 2024 No.	Granted as compensation No.	Received on exercise of options No.	Net other change No.	Balance at 30 June 2025 No.
Mr Mark Stowell	70,250,000	-	-	1,550,000	71,800,000
Mr David Frances	1,562,499	-	-	-	1,562,499
Mr Richard Caldwell	22,200,000	-	-	3,350,000	25,550,000
Mrs Natalie Dawson	1,834,263	-	-	300,000	2,134,263

Share options of Southern Hemisphere Mining Limited

Name	Balance at 1 July 2024 No.	Granted as compensation No.	Received on exercise of options No.	Net other change No.	Balance at 30 June 2025 No.
Mr Mark Stowell	3,000,000	-	-	-	3,000,000
Mr David Frances	1,000,000	-	-	-	1,000,000
Mr Richard Caldwell	1,000,000	-	-	-	1,000,000
Mrs Natalie Dawson	1,000,000	-	-	-	1,000,000

Further details of the Employee Incentive Option Plan and of share options granted during the 2024 and 2025 financial years are contained in note 11 to the financial statements.

Key terms of employment contacts

- The compensation for all Non-Executive Directors, last voted upon by shareholders at the 2011 AGM, is not to exceed $500,000 p.a.
- Directors have no entitlement to termination payments in the event of removal for misconduct.

Loans to key management personnel

On 26 March 2024, the Company entered a loan facility agreement with Merchant Holdings Pty Ltd, a company controlled by Mr Mark Stowell. This agreement provided a loan facility for $400,000 available for draw down for 6 months from the date of the agreement. In terms of the agreement interest accrued at the rate of 7.65% per annum on the outstanding principal with a default interest rate of 20% should the loan facility not be repaid within 12 months. During the previous financial year, the loan was drawn down to $410,000, interest of $6,707 accrued and a repayment of $66,340 was made on 25 June 2024 leaving an outstanding balance of $350,367 as at 30 June 2024. In the current financial year, interest of $13,959 accrued and on 3 January 2025 an amount of $364,326 was paid to settle the loan in full.

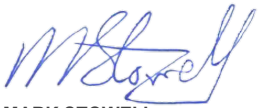
Other transactions with key management personnel

During the financial year, the Company leases premises at Suite 2, 20 Howard Street, Perth from an entity that is controlled by Mr Mark Stowell. The terms of this lease are set at a rate that is considered to be arms-length for comparable premises. The rent and outgoings paid for this premises during the financial year ended 30 June 2025 was $33,660 (30 June 2024 $34,819).

During the financial year, the Company also hired specialised XRF equipment from an entity that is controlled by Mr Mark Stowell on commercial arm's length terms. The hire fees paid for this equipment during the financial year ended 30 June 2025 was $13,350 (30 June 2024 $14,895).

This directors' report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors



MARK STOWELL
Chairman
Perth, 29 September 2025

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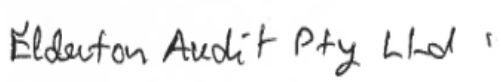
Auditor's Independence Declaration

To those charged with governance of Southern Hemisphere Mining Limited

As auditor for the audit of Southern Hemisphere Mining Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Southern Hemisphere Mining Limited and the entities it controlled during the year.



Elderton Audit Pty Ltd



Sajjad Cheema
Director

Perth

29 September 2025

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Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2025

	Note	30 June 2025 $	30 June 2024 $
Continuing Operations			
Interest income	3a	84,731	610
Other income	3a	30,237	-
Administration expenses		(311,456)	(555,107)
Finance costs		(15,962)	(6,717)
Professional fees		(97,488)	(86,511)
Employee benefits expense	3b	(760,208)	(364,622)
Exploration and evaluation related expenditure		(1,755,838)	(2,454,299)
Loss before income tax		**(2,825,984)**	**(3,466,646)**
Income tax	4	-	-
Loss after income tax for the year		**(2,825,984)**	**(3,466,646)**
Other comprehensive (expense)/income for the year			
Items that may be reclassified subsequently to profit or loss			
Foreign currency movement		(15,680)	11,624
Other comprehensive (loss)/profit for the year		**(15,680)**	**11,624**
Total comprehensive loss for the year		**(2,841,664)**	**(3,455,022)**
Loss for the year attributable to:			
Owners of the Company		(2,825,984)	(3,466,646)
Total comprehensive loss for the year attributable to:			
Owners of the Company		(2,841,664)	(3,455,022)
Earnings per share			
Basic and diluted loss per share	14	(0.004)	(0.01)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position

as at 30 June 2025

	Note	30 June 2025 $	30 June 2024 $
Assets			
Current assets			
Cash and cash equivalents	5a	1,256,247	4,662,668
Receivables and other assets	6	32,057	23,334
Total current assets		**1,288,304**	**4,686,002**
Non-current assets			
Property, plant and equipment	7	15,919	16,399
Total non-current assets		**15,919**	**16,399**
Total assets		**1,304,223**	**4,702,401**
Liabilities			
Current liabilities			
Trade and other payables	8	100,524	342,108
Borrowings	9	-	350,367
Total current liabilities		**100,524**	**692,475**
Total liabilities		**100,524**	**692,475**
Net assets		**1,203,699**	**4,009,926**
Equity			
Share capital	10	65,070,970	65,097,580
Share-based payments reserve	11	497,170	435,123
Other reserves	12	1,420,456	1,436,136
Accumulated losses		(65,784,897)	(62,958,913)
Total equity		**1,203,699**	**4,009,926**

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity

for the year ended 30 June 2025

	Note	Share capital	Share-based payment reserve	Foreign currency translation reserve	Accumulated losses	Total equity
		$	$	$	$	$
Balance 1 July 2023		58,137,631	343,068	1,424,512	(59,492,504)	412,707
Loss for the year		-	-	-	(3,466,646)	(3,466,646)
Foreign currency translation		-	-	11,624	-	11,624
Other comprehensive profit for the year		-	-	11,624	-	11,624
Total comprehensive loss for the year		-	-	11,624	(3,466,646)	(3,455,022)
Issue of share capital	10	7,463,971	-	-	-	7,463,971
Share issue costs	10	(504,022)	-	-	-	(504,022)
Share-based payments	11	-	92,292	-	-	92,292
Lapsed employee incentive options	11	-	(237)	-	237	-
Balance 30 June 2024		**65,097,580**	**435,123**	**1,436,136**	**(62,958,913)**	**4,009,926**
Balance 1 July 2024		65,097,580	435,123	1,436,136	(62,958,913)	4,009,926
Loss for the year		-	-	-	(2,825,984)	(2,825,984)
Foreign currency translation		-	-	(15,680)	-	(15,680)
Other comprehensive loss for the year		-	-	(15,680)	-	(15,680)
Total comprehensive loss for the year		-	-	(15,680)	(2,825,984)	(2,841,664)
Share issue costs	10	(26,610)	-	-	-	(26,610)
Share-based payments	11	-	62,047	-	-	62,047
Balance 30 June 2025		**65,070,970**	**497,170**	**1,420,456**	**(65,784,897)**	**1,203,699**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

for the year ended 30 June 2025

	Note	30 June 2025 $	30 June 2024 $
Cash flows from operating activities:			
Payments to suppliers and employees		(1,314,799)	(634,455)
Payments for exploration and evaluation expenditure		(1,792,959)	(2,459,850)
Interest received		84,731	610
Net cash used in operating activities	5c	(3,023,027)	(3,093,695)
Cash flows from financing activities:			
Proceeds from issue of shares		-	7,186,571
Proceeds from issue of options		-	100
Share issue costs		(34,124)	(383,101)
Proceeds from sale of concessions		10,237	-
Proceeds from JV Partner	24	20,000	-
Interest paid		(2,002)	(6,717)
Proceeds of borrowings		-	410,000
Repayment of borrowings	17	(364,326)	(59,633)
Net cash (used in)/from financing activities		(370,215)	7,147,220
Net (decrease)/increase in cash and equivalents		(3,393,242)	4,053,525
Cash and cash equivalents at the beginning of the year		4,662,668	598,427
Effect of exchange rates on cash and cash equivalents		(13,179)	10,716
Cash and cash equivalents at the end of the year	5a	**1,256,247**	**4,662,668**

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

(Expressed in Australian Dollars unless otherwise stated)

Note 1 General Information

Southern Hemisphere Mining Limited ("Southern Hemisphere" or the "Company") is an exploration stage company engaged in the acquisition and exploration of mineral properties, principally located in Chile. The Company and its subsidiaries (the "Group") have not yet determined whether its mineral properties contain mineral reserves that are economically recoverable.

Southern Hemisphere is a company limited by shares incorporated and registered in Australia whose ordinary shares are publicly traded on the Australian Securities Exchange ("ASX") under ticker code (ASX: SUH) and the Frankfurt Stock Exchange ("FWB") under ticker code (FWB: N4K). The address of the registered office is Suite 2, 20 Howard Street, Perth, Western Australia 6000. The financial report of the Group for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the directors on 26 September 2025.

Note 2 Basis of Preparation and Significant Accounting Policies

a. Statement of Compliance

These consolidated financial statements as at and for the year ended 30 June 2025 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards ("AIFRS"), other pronouncements of the Australian Accounting Standards Board ("AASB"), Australian Accounting Interpretations and the *Corporations Act 2001*. Compliance with AIFRS also ensures that the consolidated financial statements are in compliance with International Financial Reporting Standards (including interpretations).

b. Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information, the financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

i. New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

ii. New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

iii. Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements for the year ended 30 June 2025, the Group incurred a loss of $2,825,984 (2024: $3,466,646) and had net cash outflows from operating activities of $3,023,027 (2024: $3,093,695) and cash (outflows)/inflows from financing activities of ($370,215) (2024: $7,147,220). As at 30 June 2025 the Group has a net assets of $1,203,699 (2024: $4,009,926).

As such, the directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Company's VAT tax consultant in Chile has filed a VAT refund. Accumulated VAT returns are indicatively A$4.2m and subject to review and approval of government taxation authorities.
- The directors are confident based on historical raisings that the Group has the ability to raise further funds through capital raisings as and when required to satisfy its operational expenditure commitments.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

iii Going concern (continued)

- The directors are seeking potential joint venture partners which will expedite exploration activities whilst retaining cash reserves. This will result in the Company decreasing its ownership interest in the projects however will increase shareholder value. (Refer note 24)
- The directors are also seeking new assets and opportunities in thriving sectors which will attract capital to the Company.

Accordingly, the directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

In the event that the Group is unsuccessful in the matters set out above in relation to obtaining future funds through capital raisings, there is a material uncertainty whether the Group will continue as a going concern, and therefore whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

c. Parent Entity Information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 15.

d. Basis of Consolidation

The Company's consolidated financial statements include Southern Hemisphere Mining Limited and its subsidiaries, all of which are wholly owned.

i. Subsidiaries

Subsidiaries are entities controlled by the Company. Consolidation accounting is applied for all of the Company's wholly owned subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstance indicate that there are changes to one or more of the three elements of control listed above.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

ii. Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. Income earned from joint venture entities reduce the carrying amount of the investment.

e. Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

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f. Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars ("AUD"). In accordance with AASB 121, "The Effects of Changes in Foreign Exchange Rates", management determined that the functional currency of the Australian parent and its Australian subsidiaries is the Australian Dollar ("AUD"); and the functional currency of the Chilean subsidiaries is Chilean Pesos (CLP).

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations not with AUD functional currency are translated into AUD using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in the foreign currency translation reserve. The foreign currency translation reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

g. Use of Estimates and Judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical Accounting Estimates

A. Impairment

Assets, including property, plant and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts.

The assessment of the fair value often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, rehabilitation and restoration costs, future capital requirements and future operating performance. Changes in such estimates could impact recoverable values of these assets. Estimates are reviewed regularly by management.

B. Provisions and contingencies

The amount recognised as a provision, including legal, contractual and other exposures or obligations, is the best estimate of the consideration required to settle the related liability, including any related interest charges, taking into account the risks and uncertainties surrounding the obligation. The Company assesses its liabilities and contingencies based upon the best information available, relevant tax laws and other appropriate requirements.

C. Decommissioning and environmental provisions

The Company's operations are subject to environmental regulations in Chile. Upon any establishment of commercial viability of a site, the Company estimates the cost to restore the site following the completion of commercial activities and depletion of reserves. These future obligations are estimated by taking into consideration closure plans, known environmental impacts, and internal and external studies which estimate the activities and costs that will be carried out to meet the decommissioning and environmental provisions obligations. Amounts recorded for decommissioning and environmental provisions are based on estimates of decommissioning and environmental costs which may not be incurred for several years or decades.

The decommissioning and environmental cost estimates could change due to amendments in laws and regulations in Chile. Additionally, actual estimated decommissioning and reclamation costs may differ from those projected. The Company is currently in the exploration stage and as such, there are no decommissioning and environmental reclamation costs at the year end.

Notes to the consolidated financial statements

for the year ended 30 June 2025

Critical Accounting Estimates (continued)

D. Fair value of share-based compensation

The fair value of share-based compensation are subject to the limitation of the pricing models adopted that incorporates market data and involves uncertainty in estimates used by management in the assumptions. As the option pricing models require the input of highly subjective assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate. Where applicable, judgement is exercised on the probability and timing of achieving milestones related to the options.

Critical Accounting Judgements

A. Income taxes

Judgement is required in determining whether deferred tax assets are recognised in the statements of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets.

Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods. As the Company is seeking to generate non-assessable, non-exempt income in Chile, for the purposes of the Australian head entity, a record of prior tax losses is kept but no tax balances have been recognised.

B. Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as Level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

C. Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

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h. Financial Instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

i. Effective Interest Method

The effective interest method calculates the amortised cost of a financial instrument asset or liability and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset or liability, or where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as fair value through profit and loss.

ii. Loans and Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortised cost using the effective interest method. Any gains or losses on the realisation of receivables are included in profit or loss.

iii. Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

iv. Other financial liabilities

They are measured at amortised cost using the effective interest method. Any gains or losses in the realisation of other financial liabilities are included in profit or loss.

v. Fair values

Fair values of financial assets and liabilities are based upon quoted market prices available from active markets or are otherwise determined using a variety of valuation techniques and models using quoted market prices.

The Company has made the following classifications:

Other assets	Loans and receivables
Trade and other payables	Other liabilities

All financial instruments are required to be measured at fair value on initial recognition. Fair value measurement for financial instruments and liquidity risk disclosures require a three level hierarchy that reflects the significance of the inputs used in making the measurements

Notes to the consolidated financial statements

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i. Long-Lived Asset Impairment

Long-lived assets, which comprise property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

The Company's property, plant and equipment are assessed for indication of impairment at each financial position date.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to profit or loss so as to reduce the carrying amount to its recoverable amount (i.e. the higher of fair value less cost to sell and fair value in use). Fair value less cost to sell is the amount obtainable from the sale of an asset of CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Value in use is determined as the present value of the future cash flows expected to be derived from an asset of CGU.

Estimated future cash flows are calculated using estimated future prices, mineral reserves and resources and operating and capital costs. All assumptions used are those that an independent market participant would consider appropriate. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

j. Decommissioning and Environmental Provisions

The Company's mineral exploration and development activities are subject to various Chilean laws and regulations regarding the protection of the environment. As a result, the Company is expected to incur expenses to discharge its obligations under these laws and regulations.

Decommissioning and environmental costs are estimated based on the Company's interpretation of current regulatory and operating license requirements. Initially, a liability for a decommissioning and environmental provision is recognised as its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding decommissioning and environmental provision is added to the carrying amount of the related asset and the cost is amortised as an expense over the economic life of the asset using either the unit of production method or the straight-line method, as appropriate.

k. Revenue recognition

The Group recognises interest revenue as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

l. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle, expected to be realised within 12 months after the reporting period or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in the Group's normal operating cycle, due to be settled within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

m. Receivables

Receivables are recognised at amortised cost, less any allowance for expected credit losses.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

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n. Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition pf the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposed proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to accumulated losses.

o. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

p. Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

q. Employee benefits

Short-term employee benefits.

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long services leave expected to be settled wholly within 12 months of the reporting date are measure at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and period of services. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined for reference to the share price.

The cost of equity-settled transactions are measured at the fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Notes to the consolidated financial statements

for the year ended 30 June 2025

Share-based payments (continued)

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

r. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

s. Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognized for prior periods, where applicable.

t. Good and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

u. Rounding of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016 and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 3 Revenue and expenses	Note	2025 $	2024 $
a. **Interest and other income**			
Interest income		84,731	610
Proceeds from the sale of exploration concessions		10,237	-
Proceeds from JV partner	24	20,000	-
		114,968	**610**
b. **Employment benefits expense**			
Directors' fees			
Salaries & wages		140,000	140,000
Consulting fees		135,156	144,635
Superannuation expenses		16,100	8,715
Share-based payments	11	62,047	71,272
Wages and salaries in Chilean subsidiaries[1]		406,905	-
		760,208	**364,622**

[1] Prior year wages and salaries in Chilean subsidiaries were allocated to exploration and evaluation related expenditure.

Note 4 Income tax	Note	2025 $	2024 $
The prima facie income tax benefit on the loss before income tax from continued operations reconciles to income tax:			
Loss before income tax		(2,825,984)	(3,466,646)
Corporate tax rate		25%	25%
Tax at the corporate tax rate		(706,496)	(866,661)
Tax effect of expenses that are not deductible in determining taxable profit		179,486	179,867
Tax effect of deferred taxes that would be recognised directly in equity		(29,524)	(25,201)
Change in unrecognised deferred tax assets		586,272	752,190
Effect of different tax rates of subsidiaries operating in foreign jurisdictions*		(29,738)	(40,195)
		-	**-**

*The tax rates used in the above reconciliation is the corporate tax rate of 25% (2024: 25%) payable by Australian corporate entities on taxable profits under Australian tax law.

As the Company is seeking to generate non-assessable, non-exempt income in Chile, for the purposes of the Australian head entity, a record of prior tax losses is kept but no tax balances have been recognised.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 4 Income tax (continued)

Unrecognised deferred tax assets and liabilities as at 30 June 2025 comprise:

	Deferred Tax Assets	Deferred Tax Liabilities	Net
Trade and other payables	10,346	-	10,346
Unexpired Blackhole Expenditure	87,859	-	87,859
Unused Tax Losses - Australia	1,904,846	-	1,904,846
Unused Tax Losses - Chile	4,628,096	-	4,628,096
Unrecognised deferred tax assets before set- off	6,631,147	-	6,631,147
Set-off of deferred tax liabilities	-	-	-
Net unrecognised deferred tax asset	**6,631,147**	**-**	**6,631,147**

The tax benefits of the above net deferred tax assets will only be obtained if:

(a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
(b) the Company continues to comply with the conditions for deductibility imposed by law; and
(c) no changes in income tax legislation adversely affect the Company in utilising the benefits.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 5 Cash and cash equivalents	2025 $	2024 $
a. **Reconciliation of cash**		
Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and bank balances	**1,256,247**	**4,662,668**

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is discussed in note 19.

c. **Cash flow information**	2025 $	2024 $
i. Reconciliation of cash flows from operating activities to the loss after income tax:		
Loss after income tax	(2,825,984)	(3,466,646)
(Increase)/Decrease in receivables and other assets	(9,624)	16,735
(Decrease)/Increase in trade and other payables	(236,147)	98,766
Share-based payments[1]	62,047	248,671
Depreciation	956	2,062
Finance costs	15,962	6,717
Proceeds from the sale of concessions	(10,237)	-
Proceeds from JV Partner	(20,000)	-
Net cash used in operating activities	**(3,023,027)**	**(3,093,695)**

[1] This includes shares issued to settle outstanding creditors and directors fees in the 2024 financial year totalling $177,400.

d. **Non-cash investing and financing activities**

There were no non-cash investing activities during the year or prior year.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 6 Receivables and other assets	2025 $	2024 $
Current		
Prepayments	9,142	571
Other receivables	22,915	22,763
	32,057	**23,334**

Note 7 Property, plant and equipment	Land and buildings $	Plant and equipment $	Total $
Cost			
At 1 July 2023	21,984	62,511	**84,495**
Foreign exchange movement	(3,151)	-	**(3,151)**
At 30 June 2024	18,833	62,511	**81,344**
Foreign exchange movement	477	-	**477**
At 30 June 2025	**19,310**	**62,511**	**81,821**
Accumulated Depreciation			
At 1 July 2023	(1,441)	(61,442)	**(62,883)**
Charge for the year	(993)	(1,069)	**(2,062)**
At 30 June 2024	(2,434)	(62,511)	**(64,945)**
Charge for the year	(957)	-	**(957)**
At 30 June 2025	**(3,391)**	**(62,511)**	**(65,902)**
Carrying amount			
At 30 June 2024	**16,399**	**-**	**16,399**
At 30 June 2025	**15,919**	**-**	**15,919**

Note 8 Trade and other payables	2025 $	2024 $
a. **Current**		
Trade payables	14,769	200,344
Other payables	85,755	141,764
	100,524	**342,108**

b. Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

c. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 19.

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 9 Borrowings	2025 $	2024 $
Current		
Loans from related parties (refer note 17)	-	350,367
	-	**350,367**

Note 10 Issued capital	2025 No.	2024 No.	2025 $	2024 $
Fully paid ordinary shares	**736,240,044**	**736,240,044**	**65,070,970**	**65,097,580**
Fully paid ordinary shares				
At the beginning of the year	736,240,044	472,405,040	65,097,580	58,137,631
Shares issued during the year:				
■ Share placement[(a)]	-	145,714,286	-	5,100,000
■ Exercise of listed options[(b)]	-	19,458	-	1,946
■ Non-renounceable rights issue[(c)]	-	118,101,260	-	2,362,025
■ Costs of share issues[(a),(c)]	-	-	(26,610)	(504,022)
	736,240,044	**736,240,044**	**65,070,970**	**65,097,580**

(a) On 17 June 2024, the Company completed a share placement to institutional investors for a total of 142,857,143 fully paid ordinary shares at an issue price of $0.035 per share to raise $5,000,000 before costs of $379,731 (2025: $26,610 & 2024: $353,121). The share issue costs included 2,857,143 fully paid ordinary shares at an issue price of $0.035 per share, totalling $100,000 plus the issue of 1,000,000 unlisted options exercisable at $0.10 on or before 17 June 2027. The value of the unlisted options is $20,921 (refer note 18).

(b) On 22 February 2024, the Company issued 19,458 fully paid ordinary shares at an issue price of $0.10 per share raising $1,946, following the exercise of 19,458 quoted options. On 16 February 2024, 142,565,805 quoted options expired (ASX: SUHO).

(c) On 14 September 2023, the Company closed a non-renounceable rights issue on a 1 for 4 basis to eligible shareholders for a total of 118,101,260 fully paid ordinary shares at an issue price of $0.02 per share, together with 118,101,260 free attaching quoted options exercisable at $0.10 on or before 16 February 2024 (ASX: SUHO), to raise $2,362,025 before costs of $150,901. This included the issue of 8,869,980 fully paid ordinary shares at an issue price of $0.02 per share for the payment of director fees, director related consulting fees and equipment hire of $160,900 and the payment of other outstanding creditors totalling $16,500.

Terms of fully paid ordinary shares

Voting rights

The Company has one class of fully paid ordinary shares which participates in dividends and any proceeds on the winding up of the Company in proportion to the number of shares held. At shareholders meetings, each fully paid ordinary share is entitled to one vote.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 11 Share-based payment reserve	2025 No.	2024 No.
Unlisted options	**14,750,000**	**14,750,000**
Unlisted options		
At the beginning of the year	14,750,000	13,750,000
Unlisted options issued during the year:		
■ Issued 17 June 2024[(a)]	-	1,000,000
	14,750,000	**14,750,000**

(a) On 17 June 2024, 1,000,000 unlisted options exercisable at $0.10 and expiring 17 June 2027 were issued to the lead manager as part of the capital raising costs and equity market services (refer note 10(a)).

Southern Hemisphere Mining Limited operates an ownership-based Employee Incentive Option Plan ('EIOP') for executives and senior employees of the Group.

In accordance with the terms and conditions of the EIOP, as approved by shareholders at the 2024 Annual General Meeting, each unlisted option converts to fully paid ordinary shares on a one-for-one basis, subject to the following conditions:

- The Company announcing a 30% increase in the Measured and Indicated copper equivalent resource for the Company's Llahuin copper gold project from the current 149mt at 0.41% copper equivalent (611,000t CuEq) to ~800,000t CuEq; or
- A 20 day VWAP (trading days) of 20 cents or above; or
- A change of control event occurs.

No amounts are paid or payable by the recipient of the unlisted option. The holders of these unlisted options do not have the right, by virtue of the unlisted option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

The option carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. Options expire on the expiry date and any unvested options expire on the resignation of the executive or senior employee.

There is no performance based formula to calculate the number of options each executive or senior employee receives.

No fully paid ordinary shares were issued by the Company as a result of the exercise of unlisted options during or since the end of the financial year.

The share-based payment reserve is used to recognise the fair value of unlisted options issued to directors, employees, contractors and stockbrokers.

	2025 $	2024 $
Balance at the beginning of the year	435,123	343,068
Share-based payments expense	62,047	92,292
Lapsed options	-	(237)
	497,170	**435,123**

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 12 Other reserves	2025 $	2024 $
Foreign currency translation reserve	**1,420,456**	**1,436,136**

Movement in foreign currency translation reserve	2025 $	2024 $
Balance at the beginning of the year	1,436,136	1,424,512
Movement	(15,680)	11,624
	1,420,456	**1,436,136**

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries.

Note 13 Operating segments

a. Identification of reportable segments

The Group operates predominantly in the mining industry. This comprises exploration and evaluation of copper, gold, molybdenum and manganese projects. Inter-segment transactions are priced at cost to the Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of directors on a monthly basis and in determining the allocation of resources. Management has identified the operating segments based on the two principal locations based on geographical areas and therefore different regulatory environments – Australia and Chile.

Segment assets include the costs to acquire tenements and the capitalised exploration costs of those tenements.

b. Basis of accounting for purposes of reporting by operating segments

- **Accounting policies adopted**

  Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

- **Segment assets**

  Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

- **Segment liabilities**

  Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

For the year to 30 June 2025	Australia $	Chile $	Total $
Segment revenue and other income	104,731	10,237	114,968
Segment exploration expenditures	(685,955)	(1,069,883)	(1,755,838)
Segment other expenses	(757,855)	(427,259)	(1,185,114)
Segment loss after income tax	**(1,339,079)**	**(1,486,905)**	**(2,825,984)**
As at 30 June 2025			
Segment current assets	1,255,121	33,183	1,288,304
Segment non-current assets	-	15,919	15,919
Segment total assets	**1,255,121**	**49,102**	**1,304,223**
Segment current liabilities	(49,238)	(51,286)	(100,524)
Segment total liabilities	**(49,238)**	**(51,286)**	**(100,524)**
Segment net assets/(liabilities)	**1,205,883**	**(2,184)**	**1,203,699**

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 13 Operating segments (continued)

For the Year to 30 June 2024	Australia $	Chile $	Total $
Segment revenue and other income	610	-	610
Segment exploration expenditures	(578,980)	(1,875,319)	(2,454,299)
Segment other expenses	(878,504)	(134,453)	(1,012,957)
Segment loss after income tax	**(1,456,874)**	**(2,009,772)**	**(3,466,646)**
As at 30 June 2024			
Segment current assets	4,661,050	24,952	4,686,002
Segment non-current assets	-	16,399	16,399
Segment total assets	**4,661,050**	**41,351**	**4,702,401**
Segment current liabilities	(621,526)	(70,949)	(692,475)
Segment total liabilities	**(621,526)**	**(70,949)**	**(692,475)**
Segment net assets/(liabilities)	**4,039,524**	**(29,598)**	**4,009,926**

Note 14 Earnings per share

	2025 $	2024 $
Loss for the year		
Loss for the year attributable to owners of the Company used for the purposes of basic and diluted loss per share	(2,825,984)	(3,466,646)
	2025 No.	**2024 No.**
Number of shares		
Weighted average number of fully paid ordinary shares used for the purposes of basic and diluted loss per share	736,240,044	575,456,323
	2025 $	**2024 $**
Loss per share		
Basic and diluted loss per share	(0.004)	(0.01)

Basic loss per share is calculated as the net loss attributable to owners of the Company, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of fully paid ordinary shares, adjusted for any bonus element.

Diluted loss per share is the same as the basic loss per share as these are not dilutive transactions when the Company had a loss.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 15 Parent entity disclosures	2025 $	2024 $
Financial Position of Southern Hemisphere Mining Limited		
Current assets	1,254,418	4,660,347
Non-current assets	-	-
Total assets	**1,254,418**	**4,660,347**
Current liabilities	49,238	621,526
Total liabilities	**49,238**	**621,526**
Net assets	**1,205,180**	**4,038,821**
Equity		
Share capital	65,070,970	65,097,579
Share-based payment reserve	497,170	435,123
Accumulated losses	(64,362,960)	(61,493,881)
Total equity	**41,205,180**	**4,038,821**
Financial performance of Southern Hemisphere Mining Limited		
Loss for the year	(2,869,078)	(2,838,018)
Other comprehensive (expense)/income	(15,680)	11,624
Total comprehensive loss	**(2,884,758)**	**(2,826,394)**

Guarantees entered into by Southern Hemisphere Mining Limited for the debts of its subsidiaries

There are no guarantees entered into by Southern Hemisphere Mining Limited for the debts of its subsidiaries as at 30 June 2025 or 2024.

Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2025 or 2024.

Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2025 or 2024.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 16 Key management personnel compensation

The names and positions of key management personnel are as follows:

- Mr Mark Stowell Chairman
- Mr David Frances Director
- Mr Richard Caldwell Director
- Mrs Natalie Dawson Director

Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by the Corporations Regulations 2M.3.03 is provided in the remuneration report in the directors' report.

	2025 $	2024 $
Short-term employee benefits	275,156	284,156
Post-employment benefits	12,075	11,550
Equity-settled share-based payments	61,886	62,056
	349,117	**357,762**

Note 17 Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in Note 16 and detailed remuneration disclosures are provided in the remuneration report in the directors' report.

Loans to key management personnel

On 26 March 2024, the Company entered a loan facility agreement with Merchant Holdings Pty Ltd, a company controlled by Mr Mark Stowell. This agreement provided a loan facility for $400,000 available for draw down for 6 months from the date of the agreement. In terms of the agreement interest accrued at the rate of 7.65% per annum on the outstanding principal with a default interest rate of 20% should the loan facility not be repaid within 12 months. During the previous financial year, the loan was drawn down to $410,000, interest of $6,707 accrued and a repayment of $66,340 was made on 25 June 2024 leaving an outstanding balance of $350,367 as at 30 June 2024. In the current financial year, interest of $13,959 accrued and on 3 January 2025 an amount of $364,326 was paid to settle the loan in full.

Apart from the above loan facilities, no key management personnel have entered into a material contract with the Group since the end of the financial year.

Other transactions with key management personnel

During the financial year, the Company leases premises at Suite 2, 20 Howard Street, Perth from an entity that is controlled by Mr Mark Stowell. The terms of this lease are set at a rate that is considered to be arms-length for comparable premises. The rent and outgoings paid for this premises during the financial year ended 30 June 2025 was $33,660 (30 June 2024 $34,819).

During the financial year, the Company also hired specialised XRF equipment from an entity that is controlled by Mr Mark Stowell on commercial arm's length terms. The hire fees paid for this equipment during the financial year ended 30 June 2025 was $13,350 (30 June 2024 $14,895).

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 18 Share-based payments

Option series 4
On 7 July 2022, 3,800,000 unlisted options expiring 30 July 2026 were granted to employees under the Employee Incentive Option Plan ('EIOP"). The options have fully vested. These have been fair valued at $0.00883 per option totalling $33,554. The current year expense is $161, the options have been fully expensed.

Option series 3
On 13 January 2022, 600,000 unlisted options expiring 30 July 2026 were granted to employees under the EIOP. The options have fully vested. 300,000 unlisted options have lapsed as a result of the continued employment conditions. These have been fair valued at $0.0296 per option totalling $17,760. The options have been fully expensed.

Option series 2
6,000,000 unlisted options expiring 30 July 2026 issued to directors were approved at a General Meeting of the shareholders held on 30 July 2021. The unlisted options vested on 30 July 2026 and are subject to the performance criteria mentioned in note 11. These have been fair valued at $0.0516 per option totalling $309,600. The current year expense is $61,886 and the amount expensed to date is $238,314

Option series 1
On 30 July 2021, 3,800,000 unlisted options expiring 30 July 2026 were granted to employees under the EIOP. The options have fully vested. 150,000 unlisted options have lapsed as a result of the continued employment conditions. These have been fair valued at $0.0516 per option totalling $196,080. The options have been fully expensed.

Set out below are summaries of options granted under the EIOP:

2025

Options series	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
4	07/07/2022	30/07/2026	Nil	3,800,000	-	-	-	3,800,000
3	13/01/2022	30/07/2026	Nil	300,000	-	-	-	300,000
2	30/07/2021	30/07/2026	Nil	6,000,000	-	-	-	6,000,000
1	30/07/2021	30/07/2026	Nil	3,650,000	-	-	-	3,650,000
				13,750,000	**-**	**-**	**-**	**13,750,000**
Weighted average exercise price				-	-	-	-	-

2024

Options series	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
4	07/07/2022	30/07/2026	Nil	3,800,000	-	-	-	3,800,000
3	13/01/2022	30/07/2026	Nil	300,000	-	-	-	300,000
2	30/07/2021	30/07/2026	Nil	6,000,000	-	-	-	6,000,000
1	30/07/2021	30/07/2026	Nil	3,650,000	-	-	-	3,650,000
				13,750,000	**-**	**-**	**-**	**13,750,000**
Weighted average exercise price				-	-	-	-	-

7,750,000 options are exercisable at the end of the financial year (2024: 5,850,000).

The weighted average share price during the current financial year was $0.03 (2024: $0.03).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.08 years (2024: 2.08 years).

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 18 Share-based payments (continued)

For the options granted under the EIOP, the valuation model inputs used to determine the total fair value of $556,994 at the various grant dates using the Hoadley Barrier 1 Model are as follows:

Options series	Grant date	Expiry date	Share price at grant date	Exercise Price	Barrier Price	Expected volatility	Risk-free interest rate	Fair value at grant date	Total fair value
4	07/07/2022	30/07/2026	$0.02	Nil	$0.20	85.00%	3.15%	$0.00883	$33,554
3	13/01/2022	30/07/2026	$0.0387	Nil	$0.20	100.00%	1.47%	$0.0296	$17,760
2	30/07/2021	30/07/2026	$0.06	Nil	$0.20	100.00%	0.56%	$0.0516	$309,600
1	30/07/2021	30/07/2026	$0.06	Nil	$0.20	100.00%	0.56%	$0.0516	$196,080

For further details in relation to the EIOP and performance criteria refer to page 12 of the remuneration report.

For the options granted to stockbrokers for equity market services, the valuation model inputs used to determine the total fair value of $21,021 at the grant date using the Black-Scholes Model are as follows:

Options series	Grant date	Expiry date	Share price at grant date	Exercise Price	Expected volatility	Risk-free interest rate	Fair value at grant date	Total fair value
5	17/06/2024	17/06/2027	$0.047	$0.10	93.83%	3.96%	$0.021	$21,021

The total fair value of the unlisted options is expensed over the estimated vesting period. The share-based payments expense of $62,047 (2024: $71,272) was recognised in the consolidated statement of profit and loss and other comprehensive income for the year.

Note 19 Financial risk management

a. Financial risk management policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts payable and receivable and short-term borrowing.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's financial assets and liabilities is set out below:

	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2025 Total $	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2024 Total $
Financial Assets								
Cash and cash equivalents	1,256,247	-	-	**1,256,247**	4,662,668	-	-	**4,662,668**
Total Financial Assets	1,256,247	-	-	**1,256,247**	4,662,668	-	-	**4,662,668**
Financial Liabilities								
Trade and other payables	-	-	(100,524)	**(100,524)**	-	-	(342,108)	**(342,108)**
Borrowings	-	-	-	**-**	-	(350,367)	-	**(350,367)**
Total Financial Liabilities	-	-	(100,524)	**(100,524)**	-	(350,367)	(342,108)	**(692,475)**
Net Financial Assets/(Liabilities)	1,256,247	-	(100,524)	**1,155,723**	4,662,668	(350,367)	(342,108)	**3,970,193**

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 19 Financial risk management (continued)

b. **Specific financial risk exposures and management**

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

- Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

The Group's cash is held in an Australian financial institution and a Chilean financial institution, both of which are considered to have high credibility. The Group believes that it has no major credit risk.

- Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group has no income from operations and relies on equity fund raising to support its exploration program. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the consolidated statement of financial position and to related party borrowings (refer note 17). All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

- *Contractual maturities*

The following are the contractual maturities of financial liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2025 $	2024 $	2025 $	2024 $	2025 $	2024 $
Financial liabilities due for payment						
Trade and other payables	(100,524)	(342,108)	-	-	**(100,524)**	**(342,108)**
Borrowings	-	(350,367)	-	-	**-**	**(350,367)**
Total contractual outflows	(100,524)	(692,475)	-	-	**(100,524)**	**(692,475)**
Financial assets						
Cash and cash equivalents	1,256,247	4,662,668	-	-	**1,256,247**	**4,662,668**
Total anticipated inflows	1,256,247	4,662,668	-	-	**1,256,247**	**4,662,668**
Net inflow on financial instruments	1,155,723	3,970,193	-	-	**1,155,723**	**3,970,193**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 19 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Cash and cash equivalents bear interest at floating rates based on the bank prime rate, and as such, are subject to interest rate cash flow risk resulting from market fluctuations in interest rates. The Group has cash balances in bank accounts and short-term deposits. Due to the short-term nature of these financial instruments, the Group believes that risks related to interest rates are not significant to the Group at this time.

(2) *Foreign exchange risk*

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The Group has considered the sensitivity relating to its exposure to foreign currency risk at reporting date. This sensitivity analysis considers the effect on current year results and equity which could result in a change in the CLP/AUD rate. The Group is exposed to foreign exchange risk through its CLP cash holdings at reporting date. The Company has not entered into any agreements or used any instruments to hedge currency risks.

(3) *Price risk*

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group does not presently hold material amounts subject to price risk. As such the Board considers price risk as a low risk to the Group.

(4) *Commodity price risk*

The ability of the Group to develop its properties and the future profitability of the Group is directly related to the market price of certain minerals. A sustained, significant decline in either the prices of the minerals, the Group's issued equities or investor sentiment could have a negative impact on the Group's ability to raise additional capital.

Once in production the Group initially expects to have an exposure to commodity price risk associated with the production and sale of copper. However, the Group is still in the exploration stage.

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the table in note 19a and can be compared to their carrying values as presented in the consolidated statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables;
- Trade and other payables; and
- Borrowings

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

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Note 20 Capital management

The directors' objectives when managing capital is to raise sufficient funds in order to maintain and execute the objectives identified in each mineral property project in the Group's exploration plan. There is no quantitative return of capital criteria set out for management, but instead the Group relies on the expertise of management to further develop and maintain its activities. The Group monitors its capital through monthly Board reporting including management accounts and forecasts combined with appropriate external financial, corporate and legal advice when required. The Group is not subject to any externally imposed capital requirements.

The Group considers its capital to be equity which comprises fully paid ordinary shares, share-based payment reserve, foreign currency translation reserve and accumulated losses, which at 30 June 2025 amounted to $1,203,699 (30 June 2024: $4,009,926).

The mineral properties in which the Group currently has an interest are in the exploration stage; as such the Group is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Group will spend its existing working capital and raise additional amounts as required.

There were no changes in the Group's approach to capital management during the current year.

The working capital position of the Group were as follows:

	Note	2025 $	2024 $
Cash and cash equivalents	5	1,256,247	4,662,668
Trade and other payables	8	(100,524)	(342,108)
Borrowings	9	-	(350,367)
Working capital position		**1,155,723**	**3,970,193**

Note 21 Auditor's remuneration

	2025 $	2024 $
Remuneration of the auditor of Southern Hemisphere Mining Limited for:		
Auditing or reviewing the financial reports:		
Elderton Audit Pty Ltd	20,229	24,543

Note 22 Contingent Assets/ Liabilities

There were no contingent liabilities as at 30 June 2025 or 30 June 2024.

The Group's VAT tax consultant in Chile has filed a VAT refund. Accumulated VAT returns are indicatively ~A$4.2m and subject to review and approval of government taxation authorities as such the VAT receivable are not recognised in the financial position.

Note 23 Commitments

The Group's exploration commitments are as follows:

	2025 $	2024 $
Not longer than 1 year	125,446	183,191
Longer than 1 but not longer than 5 years	650,717	698,350
Longer than 5 years	-	-
	776,163	**881,541**

Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 24 Joint operations

On 16 June 2025, the Company announced that it had executed a conditional, binding term sheet ("Term Sheet") with FMR Resources Limited (ASX: FMR) under which FMR has the right to earn up to a 60% interest in 4 concessions that form the southern portion of the Group's Llahuin Copper-Gold Project in Chile, including the large Curiosity Southern Copper-Gold Target.

The Group will retain 100% of the northern concessions, which includes the upgraded mineral resources set out in the Mineral Resources & Ore Reserves Statement (page 54).

*Also excluded from the Term Sheet is an area which comprises the Ferro deposit, Ferro South and the Ferro West Target and any extensions thereof which is to the north of AMAPOLA I, 1 AL 300 – RED 1/228.

The material terms of the Term Sheet are as follows:

1. The Company grants to FMR the right to earn up to a 60% legal and beneficial interest in AMAPOLA I, 1 Al 300 – RED 1/228*, AMAPOLA II, 1 AL 300 – RED 1/256, AMAPOLA 5 and AMAPOLA 7, AL 80 ("Concessions").
2. The earn-in rights and obligations do not come into effect and are not binding on either party until FMR completes to its sole satisfaction legal and technical due diligence on the Concessions ("Condition"). FMR has 60 days to satisfy the Condition.
3. In consideration for the grant of exclusivity and entitlement to conduct due diligence FMR must pay the Company A$20,000 cash.
4. Upon satisfaction of the Condition, FMR shall issue 937,500 fully paid ordinary shares to the Company. These shares shall be subject to a voluntary 6-month escrow.
5. FMR has the right to earn a 50% legal and beneficial interest in the Concessions by expending A$3,000,000, including by drilling not less than 6,000m. ("Stage 1 Earn-in) over a 2-year period.
6. The Stage 1 Earn-in includes a mandatory minimum expenditure requirement whereby FMR must expend a minimum of A$1,000,000 on the Concessions including drilling at least one drill hole of not less than 1,400m within a 1-year period.
7. During the Stage 1 Earn-in, the parties will collaboratively work towards the exploration and mining of minerals in relation to the Concessions, including by FMR engaging, on standard commercial terms, as required and subject to availability, the Group's Llahuin exploration manager, site and expatriate contract geological team and site compliance team for technical work specific to those skill sets required.
8. FMR may elect within 30 days after completing the Stage 1 Earn-in ("Stage 1 Completion") to earn an additional 10% legal and beneficial interest (60% interest in aggregate) in the Concessions by:
   (a) paying the Company A$2,500,000 in cash and/or script (calculated on a 20-day VWAP) at FMR's election within 60 days; and
   (b) sole funding a further A$10,000,000 of expenditure over a 3-year period.
9. With effect from Stage 1 Completion Date, the parties will establish a joint venture for the exploration and mining of all minerals in relation to the Concessions.
10. Within 90 days after the satisfaction of the Condition, the parties will use best endeavours to draft and execute a formal agreement to govern the earn-in and joint venture to replace and expand upon the terms in the Term Sheet.

Subsequent to the year-end on 5 August 2025, FMR announced completion of the Condition and as such the Company received 937,500 fully paid ordinary shares in FMR at the deemed value of $0.16 per share. These shares shall be escrowed to 5 February 2026.

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Notes to the consolidated financial statements

for the year ended 30 June 2025

Note 25 Controlled entities

Southern Hemisphere Mining Limited is the ultimate parent of the Group.

	Country of Incorporation	Equity Holding 2025	Equity Holding 2024
Southern Hemisphere Mining (Aust) Pty Ltd	Australia	100	100
Titan Battery Minerals Technology Pty Ltd	Australia	100	100
Minera Hemisferio Sur SCM	Chile*	100	100
Minera Panamericana SCM	Chile*	100	100
Minera Llahuin SCM	Chile*	100	100

* Per the requirements of Chile, one nominal share of each entity is held by a resident person. For the avoidance of doubt, this nominal share is controlled by the Group.

(1) Southern Hemisphere Mining (Aust) Pty Ltd is a wholly owned subsidiary of Southern Hemisphere Mining Limited and the investment is held by that entity.

(2) Titan Battery Minerals Technology Pty Ltd is a wholly owned subsidiary of Southern Hemisphere Mining Limited and the investment is held by that entity.

(3) Minera Hemisferio Sur SCM is a wholly owned subsidiary of Southern Hemisphere Mining (Aust) Pty Ltd and the investment is held by Southern Hemisphere Mining (Aust) Pty Ltd.

(4) Minera Panamericana SCM is a wholly owned subsidiary of Titan Battery Minerals Technology Pty Ltd and the investment is held by Minera Hemisferio Sur SCM.

(5) Minera Llahuin SCM is a wholly owned subsidiary of Minera Hemisferio Sur SCM and the investment is held by Minera Hemisferio Sur SCM.

The Group has no significant restrictions on its ability to access or use the assets and settle the liabilities of the Group.

Note 26 Events subsequent to reporting date

- On 23 September 2025, the Company announced that FMR Resources Limited commenced phase 1 drilling at the Curiosity-Southern Porphyry. The drilling program will be ~4,000m, including the first hole at Target A of 1,600m.
- On 5 August 2025, the Company announced that FMR Resources Limited completed its due diligence to proceed with the Curiosity-Southern Porphyry joint venture. The Company received 937,500 fully paid ordinary shares in FMR at the deemed value of $0.16 per share. These shares shall be escrowed to 5 February 2026.
- On 30 July 2025, the Company announced the Mineral Resource Estimate for the Llahuin Copper-Gold Project of 218Mt at an average grade of 0.38% CuEq.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

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Directors' declaration

The directors declare that, in the directors' opinion:

(a) the attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and its performance for the year ended on that date; and

  (ii) complying with the Australian Accounting Standards and the *Corporations Regulations 2001*;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(c) the attached financial statements are in compliance with IRFS® Accounting Standards, as stated in note 2 to the consolidated financial statements; and

(d) the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors



MARK STOWELL
Chairman
Perth, 29 September 2025

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ELDERTON
AUDIT PTY LTD

Independent Audit Report to the members of Southern Hemisphere Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Southern Hemisphere Mining Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards requires that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatements. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to the note 2(b)(iii) of the financial report which indicates that the Group incurred a loss of $2,825,984 during the year ended 30 June 2025 and is dependent on raising additional funding, and securing joint venture arrangements in order to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial

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report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be key audit matters to be communicated in our report.

Expenditure

Refer to total expenditure $2,940,952.

Key Audit Matter	How our audit addressed the matter
Expenditure is a substantial figure in the financial statements of the Group, representing the majority of shareholder funds spent during the financial year. Due to the significant volume of transactions, we considered it necessary to assess whether the Group's expenses were recorded accurately, recognised in the correct reporting period, and appropriately related to activities undertaken by Southern Hemisphere Mining Limited.	Our audit work included, but was not restricted to, the following: • We assessed the Group's expenses system and related controls. • We selected a sample of expenses using systematic sampling methods, and vouched each item selected to invoices and other supporting documentation. • We reviewed post-year end payments and invoices to ensure that all goods and services provided during the financial year were recognised in expenses for the same period. • For exploration expenses, we ensured that expenditures were incurred for the tenements/projects over which the Group has rights.

Going Concern

Key Audit Matter	How our audit addressed the matter
The Group is in exploration-stage and has not yet generated operating revenue. For the year ended 30 June 2025, it recorded a net loss of AUD (2,825,984) and had net cash outflows from operating activities of $3,023,027. These are considered to be a key audit matter due to: • the Group's reliance on securing additional funding to continue operations; • the inherent uncertainty in forecasting cash flows for an exploration-stage entity; and • the significant judgment involved in management's assessment of going concern assumptions.	Our audit work included, but was not restricted to, the following: • Evaluated management's cash flow forecasts, checked the mathematical accuracy and assessed key assumptions such as exploration and administrative expenditure. • Reviewed subsequent capital raisings, joint venture agreements and other funding initiatives to assess the Group's access to future financing. • Considered the Group's historical ability to raise capital in the market and the timing of such raisings. • Assessed compliance with exploration license and tenement obligations to ensure the Group retains the right to explore. • Evaluated the adequacy of the going concern disclosures in the financial report.

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Other Information

The directors are responsible for the other information. The other information comprises the Review of Operations and Directors Report and other information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 13 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Southern Hemisphere Mining Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*

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Responsibilities

The directors of the Southern Hemisphere Mining Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd



Sajjad Cheema
Director

Perth

29 September 2025

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Consolidated entity disclosure statement

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001 (Cth)*. The entities listed in the statement are Southern Hemisphere Mining Limited and all the entities it controls in accordance with AASB 10 *Consolidated Financial Statements*.

The percentage of share capital disclosed for body corporates included in the statement represents the economic interest consolidated in the consolidated financial statements. In developing the disclosures in the statement, the directors have relied on the advice provided by management and the Company's taxation adviser.

The Group's consolidated entity disclosure statement as at 30 June 2025 is set out below.

As at 30 June 2025		Body Corporates		
Entity name	Entity type	Place incorporated	% of share capital	Tax residency
Southern Hemisphere Mining Limited	Body Corporate	Australia	N/A	Australia
Southern Hemisphere Mining (Aust) Pty Ltd	Body Corporate	Australia	100%	Australia
Titan Battery Minerals Technology Pty Ltd	Body Corporate	Australia	100%	Australia
Minera Panamericana SCM	Body Corporate	Chile	100%	Chile
Minera Hemisferio SCM	Body Corporate	Chile	100%	Chile
Minera Llahuin SCM	Body Corporate	Chile	100%	Chile

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Additional Information for Listed Public Companies

The following additional information as at 24 September 2025 is required by the Australian Securities Exchange in respect of listed public companies.

1 Capital

a. Fully paid ordinary shares

736,240,044 fully paid ordinary shares held by 862 shareholders.

b. Listed options

The Company has no listed options on issue.

c. Unlisted options

13,750,000 unlisted options exercisable at nil expiring 30 July 2026 held by 20 optionholders.

1,000,000 unlisted options exercisable at $0.10 each expiring 17 June 2027 held by 4 optionholders.

d. Performance Shares

The Company has no performance shares on issue.

e. Voting Rights

The voting rights attached to each class of equity security are as follows:

- Fully paid ordinary shares: Each fully paid ordinary share is entitled to one vote.
- Listed and unlisted options: Optionholders of listed or unlisted options are not entitled to vote by virtue of holding an option.

f. Substantial Shareholders as at 24 September 2025

Name	Number of Fully Paid Ordinary Shares Held	% Held of Issued Ordinary Capital
Pictet Asset Management (Singapore) Pte Ltd	72,604,907	9.86
Merchant Holdings Pty Ltd	72,000,000	9.78
Ice Cold Investments Pty Ltd	47,926,521	6.51
Mr Jay Evan Dale Hughes	43,750,000	5.94
BNP Paribas Nominees Pty Ltd <HUB24 Custodial Serv Ltd>	41,362,050	5.62

g. Distribution of Shareholders as at 24 September 2025

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	127	46,395	0.01
1,001 – 5,000	83	206,082	0.03
5,001 – 10,000	43	338,617	0.05
10,001 – 100,000	330	14,299,799	1.94
100,001 – and over	279	721,349,151	97.97
	862	736,240,044	100.00

h. Unmarketable Parcels as at 24 September 2025

264 fully paid ordinary shareholders holding less than a marketable parcel of shares.

i. On-Market Buy-Back

There is no current on-market buy-back.

j. Restricted Securities

The Company has no restricted securities on issue.

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k. 20 Largest Shareholders — Ordinary Shares as at as at 24 September 2025

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	MERCHANT HOLDINGS PTY LTD	72,000,000	9.78
2.	BNP PARIBAS NOMS PTY LTD	58,866,129	8.00
3.	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	41,362,050	5.62
4.	ICE COLD INVESTMENTS PTY LTD <G & J BROWN SUPER FUND A/C>	28,125,000	3.82
5.	PIAMA PTY LTD <FENA SUPERANNUATION PLAN A/C>	27,500,000	3.74
6.	MR RICHARD ALEXANDER CALDWELL	25,800,000	3.50
7.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	24,235,579	3.29
8.	INKESE PTY LTD	21,750,000	2.95
9.	ICE COLD INVESTMENTS PTY LTD <BROWN CHELTENHAM RD SF A/C>	19,801,521	2.69
10.	ZERO NOMINEES PTY LTD <5063463 A/C>	19,000,000	2.58
11.	GREATSIDE HOLDINGS PTY LTD <ADL A/C>	15,142,064	2.06
12.	MRS JILL ANDERSON	14,999,500	2.04
13.	MRS MELANIE JANE CHESSELL	13,729,200	1.86
14.	CURIOUS COMMODITIES PTY LTD	12,500,000	1.70
15.	HENGGELER SUPER PTY LTD <TOP BANANAS SUPER FUND A/C>	12,162,000	1.65
16.	MR JAY EVAN DALE HUGHES <INKESE FAMILY A/C>	12,000,000	1.63
17.	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	11,010,987	1.50
18.	MR JAY HUGHES & MRS LINDA HUGHES <INKESE SUPER A/C>	10,000,000	1.36
19.	MR GRANT POVEY	9,479,987	1.29
20.	CITICORP NOMINEES PTY LIMITED	8,586,475	1.17
	TOTAL	**458,050,492**	**62.21**

2 Principal registered office

As disclosed in the Corporate directory of this Annual Report.

3 Registers of securities

As disclosed in the Corporate directory of this Annual Report.

4 Stock exchange listing

Quotation has been granted for the fully paid ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, as disclosed in the Corporate directory of this Annual Report.

5 Use of funds

The Group has used its funds in accordance with its business objectives.

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Mineral Resources and Ore Reserves Statement

The information in this Annual Report relating to estimates of Mineral Resources and Ore Reserves have been extracted from the following news release technical reports:

News release date	News release title	Description
30/07/2025	Increased JORC Resource – Llahuin Copper-Gold Project	Resource estimate for Llahuin deposit with relevant JORC Code (2012) Table 1.
3/05/2023	Technical Report – Los Pumas Resource Upgrade	Resource estimate for Los Pumas deposit with relevant JORC Code (2012) Table 1.

The news releases referenced in the previous table are available on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the most recent market announcement for each deposit and, in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original news releases.

Llahuin Copper/Gold/Moly Project: Total Measured and Indicated Resources - JORC (2012) Compliant

The MRE totals **218Mt at an average grade of 0.38% CuEq** (at a 0.22% CuEq cutoff grade) as tabulated below and includes 496,600t of Copper 654,900oz of Gold and 12,500t of Molybdenum.

Zone	Measured (Mt) (CuEq%)	Indicated (Mt) (CuEq%)	Total Measured & Indicated (Mt) (CuEq%)	Inferred (Mt) (CuEq%)
Central Porphyry	90.9 @ 0.42%	10.2 @ 0.33%	101.1 @0.41%	24.5 @ 0.31%
Cerro	41.9 @ 0.40%	4.9 @ 0.32%	46.8@0.39%	13.7 @ 0.32%
Ferro	19.1 @ 0.32%	7.1 @ 0.34%	26.2@ 0.32%	5.9 @ 0.32%
Total (rounded)	**151.9 @ 0.40%**	**22.2 @ 0.33%**	**174.1 @ 0.39%**	**44.1 @ 0.31%**
Total Measured, Indicated & Inferred (Mt) (CuEq%)				**218.2 @ 0.38%**

Resources are reported above have a copper equivalent (CuEq) cut-off grade of 0.22% CuEq. The CuEq calculation is based on metal prices of US$3.50/lb Cu, US$3,000/oz Au, and US$20/lb Mo. 100% recoveries have been used as metallurgical testwork is still to be optimised. Preliminary metallurgical recoveries from closed circuit flotation testwork confirmed no deleterious elements: Cu 84–91%, Au 41–57%, Mo ~14–56%. CuEq formula: Cu % + (Au g/t × 1.25) + (Mo % × 5.7).

The CuEq values presented in the MRE are based solely on in situ metal grades and relative metal prices only. For comparison purposes 100% recovery has been assumed across all metals in the CuEq calculation. These assumptions are offset by the use of conservative metal prices and appropriately selected cut-off grades.

Los Pumas Manganese Project: Total Measured and Indicated Resources - JORC (2012) Compliant

Resource (at 2.5% Mn cutoff)	Tonnes	Mn %	Al %	Fe_2O_3 %	K %	P %	SiO_2 %	SG %
Indicated	23,324,038	6.21	5.71	2.78	2.98	0.05	57.07	2.15
Inferred	6,940,715	6.34	5.85	3.05	2.83	0.05	54.61	2.14
Indicated plus Inferred	**30,264,753**	**6.24**	**5.74**	**2.84**	**2.95**	**0.05**	**56.50**	**2.15**

Metallurgical studies have demonstrated greater than 38% Mn concentrates are achievable by DMS with low impurities and high silica product.

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 Adam Anderson, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists. Mr Anderson 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 Anderson is a consultant for 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.

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Concession Schedule

Mining Property List as at 30 June 2025

Minera Llahuin S.C.M

Llahuin Project

Mining Properties	% Interest
AMAPOLA 1, 1 AL 20	100
AMAPOLA 2, 1 AL 20	100
AMAPOLA 3, 1 AL 20	100
AMAPOLA 4, 1 AL 20 – RED 1/18	100
AMAPOLA I, 1 AL 300 – RED 1/228	100
AMAPOLA II, 1 AL 300 – RED 1/256	100
AMAPOLA 5	100
AMAPOLA 6, 1 AL 4	100
AMAPOLA 7, 1 AL 80	100

Colina 2 Project

Mining Properties	% Interest
COLINA 2, 1 AL 30	100

Minera Panamericana S.C.M

Los Pumas Project

Mining Properties	% Interest
AWAHOU 1 AL 20	100
EMANUEL 1 AL 20	100
LLUTA I 1 AL 60 RED 1/54	100
LLUTA II 1 AL 300 RED 1/ 285	100
PUTRE 6 1 AL 20 RED 1/11	100
PUTRE 5	100
PUTRE I AL 20	100
PUTRE II AL 20	100

Southern Hemisphere Mining Limited

Cardawan Project

Mining Properties	% Interest
E52/4433	100
E52/4434	100

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