

Southern Gold Limited

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Southern Gold receives drill results and discovers new prospects with sampling

Southern Gold Ltd (ASX:SAU) has received diamond drilling results from its maiden program at the Deokon Project in South Korea.

Drilling comprised six holes and targeted the Bonanza Zone beneath the outcrop which returned high-grade gold and silver in reconnaissance surface samples.

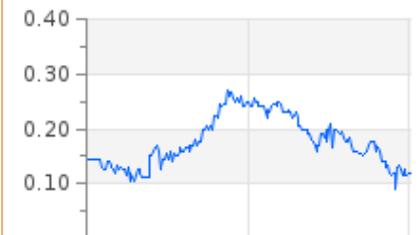
Grades from drilling featured up to 0.15 metres grading 4.59 g/t gold and 708 g/t silver from 42.35 metres depth.

Notably, this confirms mineralisation at depth and the company sees significant potential along strike and within the broader project.

Price: 0.12

Market Cap: \$10.6 m

1 Year Share Price Graph



April 2019 October 2019 March 2020

Share Information

Code: SAU

Listing: ASX

52 week High Low
0.28 0.086

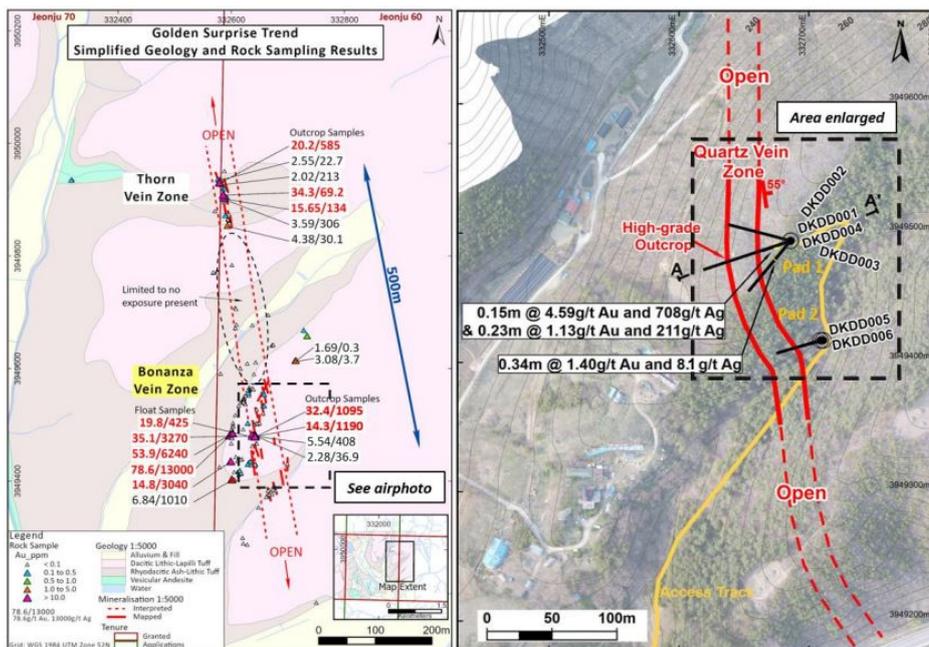
Sector: Gold & silver

Website: www.southerngold.com.au

Company Synopsis:

High grade, high margin gold production driving organically funded industry-leading exploration in the search for 'world class' gold deposits.

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Plenty of potential remains at Deokon Project

Southern Gold's managing director Simon Mitchell said: "We are pleased to have been able to drill the first program at the Golden Surprise Trend within such a short timeframe after reconnaissance exploration.

"This demonstrates our ability to quickly drill test newly generated targets.

"While these first pass results are lower in grade tenor than expected, plenty of potential remains at our 100% owned Deokon Project, both locally and regionally.

Historical mine yet to be drilled at depth

"Clearly the area has seen some rich mineralised fluids with bonanza grade gold and silver on surface and two historical mines, one of which, Shin Hill, has never been drilled at depth.

"Further work is required at Deokon to fulfil its potential, along with Southern Gold's numerous other exploration projects in South Korea, including several newly defined ones from our project generation initiative, which we will report on shortly."

Sampling reveals new high-grade gold and silver areas

Assay results from a sampling program targeting three regions have been received with grades featuring up to 4.75 g/t gold and 930 g/t silver.

The intensive reconnaissance sampling program involved 653 new samples being taken from three areas - Seongju, Daeam Valley and Yeongdong.

Highlights from the sampling program are in the table below.

Sample ID	Au g/t	Ag g/t	Sample Type	Location
KRS207025	0.84	206	Dump	Seongju
KRS207194	0.67	930	Dump	Seongju
KRS207027	0.45	763	Dump	Seongju
KRS207064	0.22	700	Dump	Seongju
KRS207313	4.36	1.5	Float	Daeam Valley
KRS207314	1.97	5.2	Float	Daeam Valley
KRS208169	4.75	5	Dump	Yeongdong
KRS208167	1.84	0.9	Dump	Yeongdong

Tenure applications have been lodged in all areas and follow up work is planned from February 2020.

Mithcell added: "These anomalous results show that there are an incredible number of project opportunities in South Korea.

"We know where our target areas are, and it is basically just a matter of putting boots on the ground to cover the areas required and conduct this first pass reconnaissance sampling.

"We intend to increase this effort in 2020 to build a long pipeline of quality projects to unlock the enormous exploration potential of South Korea."

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