

MAWSON

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NEWS RELEASE

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MAWSON DEMERGER UPDATE: SOUTHERN CROSS GOLD LODGES PROSPECTUS IN AUSTRALIA

Vancouver, Canada — **Mawson Gold Limited** (“Mawson” or the “Company”) (TSX: MAW) (Frankfurt: MXR) (PINKSHEETS: MWSNF - <https://www.commodity-tv.com/ondemand/companies/profil/mawson-gold-ltd/>) is pleased to announce that its Australian subsidiary, **Southern Cross Gold Ltd** (“SXG”) has lodged a prospectus dated 17 March 2022 (the “Prospectus”) with the Australian Securities and Investments Commission (“ASIC”).

Highlights:

- **Prospectus lodged with ASIC to raise between A\$8,000,000 and A\$10,000,000;**
- **Contract signed to acquire 300 acres of freehold land at the Sunday Creek Project;**
- **A\$70k investment into Nagambie Resources to maintain Southern Cross Gold’s strategic 10% holding**

Michael Hudson, Executive Chairman of Mawson and MD-elect for Southern Cross, states: *“Our plan to create value for Mawson shareholders through the demerger of SXG is one very important step closer with the lodgment of the SXG Prospectus. Confidence in the asset base is growing daily as evidenced in the freehold purchase and the top-up of Nagambie shares – both complimentary strategic efforts to secure SXG’s future as a potential gold miner in the region.”*

Prospectus

The “Equity Offer” under the Prospectus consists of between 40,000,000 and 50,000,000 SXG Shares at A\$0.20 per SXG Share to raise between A\$8,000,000 and A\$10,000,000 before costs. The dual Lead Brokers are **Baker Young Limited** and **Pulse Markets**, and the Equity Offer is anticipated to open, subject to ASIC review, eight days after the date of the Prospectus and remain open for 4 weeks, unless it closes early. The initial public offering of SXG (the “IPO”) is anticipated to be finalized in 6-8 weeks following lodgment of the Prospectus.

Mawson’s holding in SXG is anticipated to dilute to approximately 58% based on SXG’s then issued capital post IPO (A\$10m assumed). Under ASX listing rules, Mawson’s shareholding in SXG will be classified as ‘restricted shares’, and thus escrowed for 24 months following the completion of the IPO.

Purchase of Freehold and Nagambie Shares

SXG (via its wholly owned subsidiary Clonbinane Goldfield Pty Ltd) has signed a contract with a landholder to acquire 300 acres of freehold land that includes the entire drilled area of the Sunday Creek Project. SXG views that owning the freehold land better secures future surface access. SXG may also in the future consider other uses for the freehold land, such as renewable energy options, livestock grazing or agistment to help maintain the property (although there are no current plans for such additional uses). The land acquisition is conditional only upon satisfying the requirements of Australia’s Foreign Acquisitions and Takeovers Act 1975 (Cth) (no objection being received from the Foreign Investment Review Board).

Mawson is also pleased to announce that SXG has subscribed for 1,321,377 Nagambie Resources Ltd (ASX:NAG) ("Nagambie") ordinary shares at A\$0.053 per share, to maintain SXG's strategic 10% holding of Nagambie, pursuant to Nagambie's fund raising as announced by Nagambie on [March 15, 2022](#). SXG now owns 51,321,377 fully paid ordinary shares in Nagambie. Nagambie is [exploring](#) under the old Nagambie oxide mine (Figure 1) and is also [constructing a CIL gold processing plant](#) in joint venture with Golden Camel Mining Pty Ltd. The major shareholding provides potential access to a central process facility, all within one hour distance by truck, from SXG's exploration projects. SXG's strategic 10% holding in [Nagambie](#) also grants it a Right of First Refusal over a 3,300 square kilometre tenement package held by Nagambie in Victoria.

The securities offered by SXG have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the SXG Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

About [Southern Cross Gold Ltd](#)



The Southern Cross corporate branding embodies important characteristics of the new entity. The blue lettering acknowledges the state colour of Victoria as well as Mawson which incubated the business, and the gold colour recognizes the Victorian goldfields. The Southern Cross is a constellation also represented on the Australian flag which provides a strong cultural significance to all Australians, and helps differentiate the Southern Hemisphere and Nordic operations. The main 7-pointed star represents the unity of the six states and the territories of the Commonwealth of Australia and the addition of a miner's pickaxe within the body of the star reflects the central place that mineral exploration has in Australia and, of course, to Southern Cross.

SXG holds the 100%-owned Sunday Creek project in Victoria and Mt Isa project in Queensland, the Redcastle and Whroo joint ventures in Victoria, Australia, and a strategic 10% holding in the Australian Securities Exchange ("**ASX**" or "**ASX Limited**") listed [Nagambie Resources Limited](#) (ASX:NAG) ("**Nagambie**") which grants it a Right of First Refusal over a 3,300 square kilometre tenement package held by Nagambie in Victoria. Mawson currently owns 84.6% of Southern Cross.

The Southern Cross Gold corporate presentation can be downloaded [here](#). Interviews with the lead brokers can be access [here](#) (Baker Young) and [here](#) (Pulse Markets).

About Mawson Gold Limited (TSX:MAW, FRANKFURT:MXR, OTCPINK:MWSNF)

[Mawson Gold Limited](#) is an exploration and development company with its flagship Rajapalot gold-cobalt project in Finland now entering technical de-risking stages. Alongside ongoing exploration at Rajapalot, Mawson holds an option to earn up to 85% in the Skelleftea Gold Project in Sweden. Mawson also has a significant majority interest in the ownership or joint venture into three high-grade, historic epizonal goldfields covering 470 km² in Victoria, Australia, through Southern Cross Gold Ltd, which is in the process of listing on the ASX.

Further Information

www.mawsongold.com

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On behalf of the Board,

"Michael Hudson"

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Forward-Looking Statement

This news release contains forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "forward-looking statements"). All statements herein, other than statements of historical fact, are forward-looking

statements. Although Mawson believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, and similar expressions, or are those, which, by their nature, refer to future events. Mawson cautions investors that any forward-looking statements are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, timing and successful completion of Southern Cross Gold's IPO and listing of Southern Cross Gold's common shares on ASX, Mawson's expectations regarding its ownership interest in Southern Cross Gold, capital and other costs varying significantly from estimates, changes in world metal markets, changes in equity markets, the potential impact of epidemics, pandemics or other public health crises, including the current pandemic known as COVID-19 on the Company's business, risks related to negative publicity with respect to the Company or the mining industry in general; planned drill programs and results varying from expectations, delays in obtaining results, equipment failure, unexpected geological conditions, local community relations, dealings with non-governmental organizations, delays in operations due to permit grants, environmental and safety risks, and other risks and uncertainties disclosed under the heading "Risk Factors" in Mawson's most recent Annual Information Form filed on www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Mawson disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

Figure 1: Plan location of the Southern Cross Gold's Permit Areas in Victoria

