

MAWSON

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NEWS RELEASE

February 03, 2022

Mawson's Australian Spinco 'Southern Cross Gold' Closes A\$2.725M Private Placement

Vancouver, Canada — **Mawson Gold Limited** ("Mawson") or (the "Company") (TSX:MAW) (Frankfurt: MXR) (PINKSHEETS: MWSNF) is pleased to announce that further to its news release of [November 23, 2021](#), its Australian spinout, Southern Cross Gold Pty Ltd ("**Southern Cross**"), has raised total gross proceeds of A\$2.725 million through the issuance of 17,031,250 ordinary shares (the "**Shares**") at an issue price of A\$0.16 (the "**Issue Price**") per Share (the "**Private Placement**").

Mr Ivan Fairhall, CEO states, "*This placement brings the total raised in Mawson's stable since December to approximately C\$8m, and we are thrilled to be funded to drill at least 4 projects this year. Raising capital at the Southern Cross level, now valued at A\$17.7m (EV), shines a light on the quality of our Australia assets, with the spin out birthing a financially and operationally independent, dedicated capital markets vehicle – ideal conditions to grow value for shareholders. Mawson will redouble its focus on the exploration and pre-development efforts in Sweden and Finland, underpinned by our Rajapalot gold-cobalt discovery, which already contains in excess 1Moz AuEq (inferred resource) and is also the European Union's 7th largest cobalt resource, with an ongoing 8 kilometre drill campaign during Q1 and Q2 2022.*"

Mr Michael Hudson, Executive Chairman of Mawson and MD-elect for Southern Cross comments, "*We thank all new shareholders for their interest and support in this oversubscribed placement. The Victorian goldfields are a Tier 1 gold address, with significant historic pedigree. Victoria's recent reputation has been cemented by Kirkland Lake Gold's epizonal-style Fosterville gold mine, which is the highest-grade underground mine in the world and 10th highest producing gold mine in 2020. Southern Cross holds 3 of the 9 historic epizonal gold fields in Victoria and one of the best discoveries to be made in the modern renaissance of the area, with our most recent drill results including [3.0 metres @ 41.4 g/t gold and 12.0% antimony within 11.7m @ 12.4 g/t gold and 3.6 % antimony in the deepest hole drilled at Sunday Creek](#). We look forward to advancing Southern Cross to an IPO on the ASX and creating further value for all shareholders.*"

Southern Cross is a private corporation incorporated in Australia which holds Mawson's interest in its Australian mineral portfolio (the "**Australian Projects**") including, 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**") 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.

Southern Cross intends to use the net proceeds from the Private Placement for exploration purposes in Australia, including continued diamond drilling, and for working capital and general corporate purposes, including funding of the proposed initial public offering of Southern Cross (the "**Southern Cross IPO**") on the ASX. **Mawson holds 93,750,000 ordinary shares of Southern Cross or 84.62% of Southern Cross' issued shares** after closing of the Private Placement but prior to the proposed Southern Cross IPO on the ASX. Mawson will be further diluted following the Southern Cross IPO capital raising. The proposed Southern Cross IPO timetable and amounts to be raised and valuations are subject to change. The business plan in regards to Mawson's holdings of Southern Cross remain subject to Mawson Board, shareholder, court, TSX and ASX approvals. Further details of the business plan will be news released over the coming weeks.

Certain directors of Mawson participated in the Private Placement and purchased an aggregate of 725,000 Shares. Participation of such insider in the Private Placement constituted a "related party transaction" as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"), but was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the

securities issued to the insiders nor the consideration paid by the insiders exceeded 25% of the Mawson's market capitalization. None of the directors of Mawson expressed any contrary views or disagreements with respect to the foregoing.

The securities offered 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 press release does not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction. The Private Placement was restricted to Professional, Sophisticated and Other Exempt Wholesale Client Investors qualified investors who are accredited investors.

Technical Background and Qualified Person

The Qualified Person, Michael Hudson, Executive Chairman of Mawson Gold, and a Fellow of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the technical contents of this release.

Gold equivalent "AuEq" = Au+(Co/1005) based on assumed prices of cobalt US\$23.07/lb and gold US\$1,590/oz. Details of Mawson's Inferred Mineral Resource can be read in the Company's news release dated August 26, 2021 ([here](#)).

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

[Mawson Gold Limited](#) is an exploration and development company led by an experienced and proven technical team. Mawson has distinguished itself as a leading Nordic Arctic exploration company with the flagship Rajapalot gold-cobalt project in Finland, and an option to earn up to 85% in the Skelleftea Gold Project in Sweden. In addition, Mawson controls or is under joint venture over three high-grade, historic epizonal goldfields covering 470 km² in Victoria, Australia, which Mawson plans to spin-out into a separate ASX-listed entity, Southern Cross.

About Southern Cross Pty Ltd



The new 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. In the name we sought to distinguish our Southern Hemisphere operations from our Nordic operations. The Southern Cross is a constellation also represented on the Australian flag which provides a strong cultural significance to all Australians. 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.

On behalf of the Board,

"Ivan Fairhall"
Ivan Fairhall, Director and CEO

Further Information

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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: the Company's expectations regarding: (a) terms, timing and closing of the Southern Cross IPO; (b) approval from ASX of Southern Cross' proposed listing of its ordinary shares; (c) the ability of

the spinout of the Australian Projects; (d) the proposed use of the proceeds from the Private Placement; (e) receipt of the requisite Mawson board, shareholder, court, regulatory, and stock exchange approval, as applicable; (f) Mawson's intentions regarding its ownership in Southern Cross; and (g) the following additional factors: capital and other costs varying significantly from estimates; changes in world metal markets; changes in equity markets; ability to achieve goals; that the political environment in which the Company operates will continue to support the development and operation of mining projects; the threat associated with outbreaks of viruses and infectious diseases, including the novel COVID-19 virus; risks related to negative publicity with respect to the Company or the mining industry in general; reliance on a single asset; planned drill programs and results varying from expectations; 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. While these factors and assumptions are considered reasonable by Mawson, in light of management's experience and perception of current conditions and expected developments, Mawson can give no assurance that such expectations will prove to be correct. 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.