

18<sup>th</sup> December 2007

## **Macquarie Bank and European investors increase shareholding in Southern Gold**

Macquarie Bank Limited has increased its shareholding in Southern Gold Limited to 4.7% through a new placement which raised \$3.6 million in cash. Southern Gold allocated approximately 9.3 million ordinary shares at a price of \$0.39 per share to raise the proceeds. Southern Gold will have approximately 94 million shares on issue on completion of the placement.

This investment follows Macquarie Bank recently completing a positive site visit to Cambodia to review Southern Gold's projects, exploration operations and the investment environment in Cambodia. A number of European sophisticated investors participated in the placement, including Gold 2000, a Zurich-based investment fund.

In recent times, Southern Gold has released high grade gold intersections from its Challenger Area JV in S.A. with Dominion, and commenced first drilling on its eight tenements in Cambodia for high grade gold and base metals, and follow-up RC drilling at its 100% owned nickel sulphide discovery at Bulong South in W.A.

For further information please contact:

Mr Stephen Biggins  
Managing Director  
Phone: +61 (0) 8 8132 0044  
Fax: +61 (0) 8 8132 0199

Please visit our website at [www.southerngold.com.au](http://www.southerngold.com.au)