

3rd June 2010

Southern Gold Board Reorganisation

Southern Gold Limited (“Southern Gold”) advises that current Managing Director, Mr Stephen Biggins, will retire from executive duties with Southern Gold on 2 July 2010 to allow for the introduction of a new Managing Director to drive the Company’s next phase of growth.

Southern Gold’s exploration program at its Bulong Gold Project in Western Australia has been extremely successful over the past 12 months, with the discovery of the high grade gold lodes at the Cannon Prospect, located only 30kms from the mining city of Kalgoorlie. Southern Gold recognises the significance of these discoveries, and has now commenced a process to target the appointment of a Managing Director to maximise shareholder value from these discoveries with the next phase of work at Bulong including resource drilling, a maiden mineral resource estimate and mining studies.

Mr Biggins commented “After being with Southern Gold for more than six years, it has been a difficult decision for me to retire as Managing Director. However, I believe that the time is appropriate for the introduction of a new Managing Director with a focus on driving Southern Gold towards maiden gold production. I am confident that the Board of Southern Gold will be successful in securing the services of an Executive to assist Southern Gold in its transition from explorer to gold producer”.

Chairman Mr Greg Boulton said: “On behalf of the Southern Gold Board, I express our sincere gratitude for all of Stephen’s outstanding efforts over the past six years and wish him well in his future pursuits. We have now commenced a process to identify a new Managing Director who can drive Southern Gold forward with a particular focus on progressing the Bulong Gold Project. As an interim measure, non-Executive Director, Mr Mick Billing, will assume Executive Director duties.”

Southern Gold’s Board and senior management team remain committed to progressing Southern Gold’s gold and base metals projects in Australia and Cambodia. This senior management team includes Peter Hill as Exploration Manager of Australian operations, Grant Thomas as General Manager of Cambodian operations and Nick Harding as Chief Financial Officer.

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