



SOUTHERNGOLD

Southern Gold Limited

ACN 107 424 519

2005 ANNUAL GENERAL MEETING

Managing Directors Report

Stephen Biggins

23 November 2005

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SAU Projects

Diversified Resources Explorer

- Gold
- Uranium
- Copper
- Nickel

- Southern Gold project area
- World class gold/base metals mining centre

BULONG SOUTH
GOLD, NICKEL

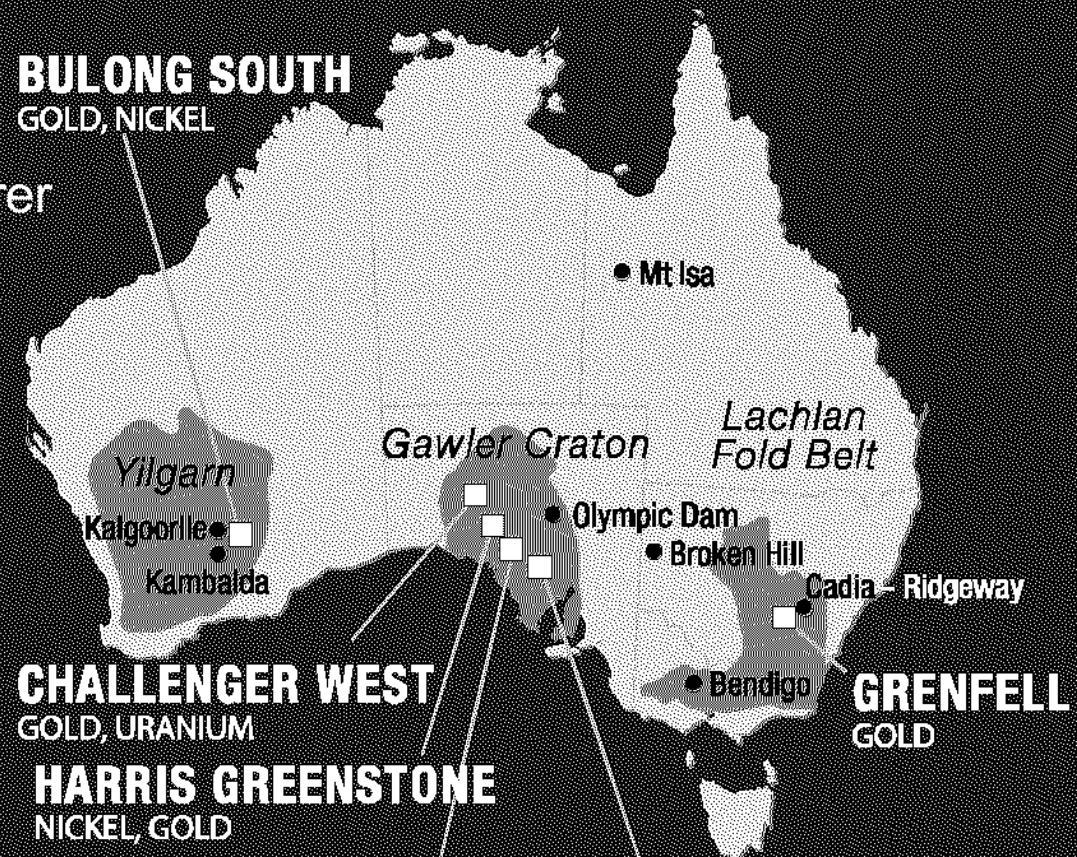
CHALLENGER WEST
GOLD, URANIUM

HARRIS GREENSTONE
NICKEL, GOLD

YARLBRINDA
COPPER, GOLD, URANIUM

SOUTHERN GAWLER ARC
COPPER, GOLD, URANIUM

GRENFELL
GOLD





2005 Achievements in 6 months since listing

- \$2.5M Uranium JV with Hindmarsh (HMR)
- Drilling programs at Challenger West (SA) and Bulong (WA)
- IP Surveys over Grenfell Goldfield (NSW)
- Gravity, radiometric and geochemical surveys on Yarlbrinda and Yarlbrinda South (SA)
- Tripled ground holding through acquisition, JVs and applications
- Formed subsidiary Southern Uranium

Southern Uranium Limited

100% owned subsidiary of Southern Gold Limited (SAU)

Vehicle dedicated to rapidly developing SAU's Uranium assets

Provides flexibility for development and financing



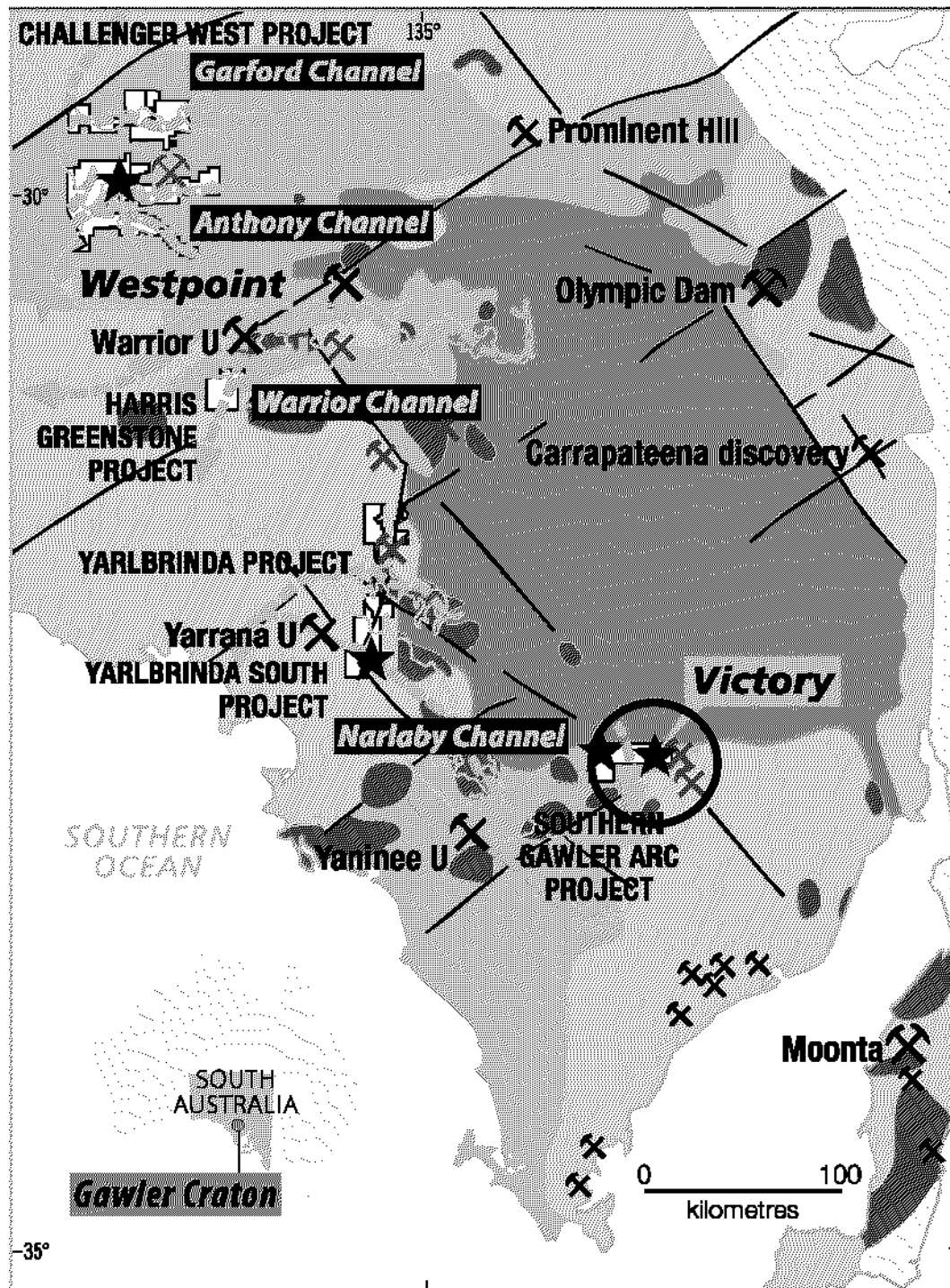
Expanding Exploration Interests

Positioned to triple granted ground holding to 10,000km²

Dominant Position in Gawler Craton

- **IOCGU targets**
- **4 major uranium palaeochannel systems**

Continued focus on Gold and Nickel



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Southern Gawler Arc
Deposit Centre

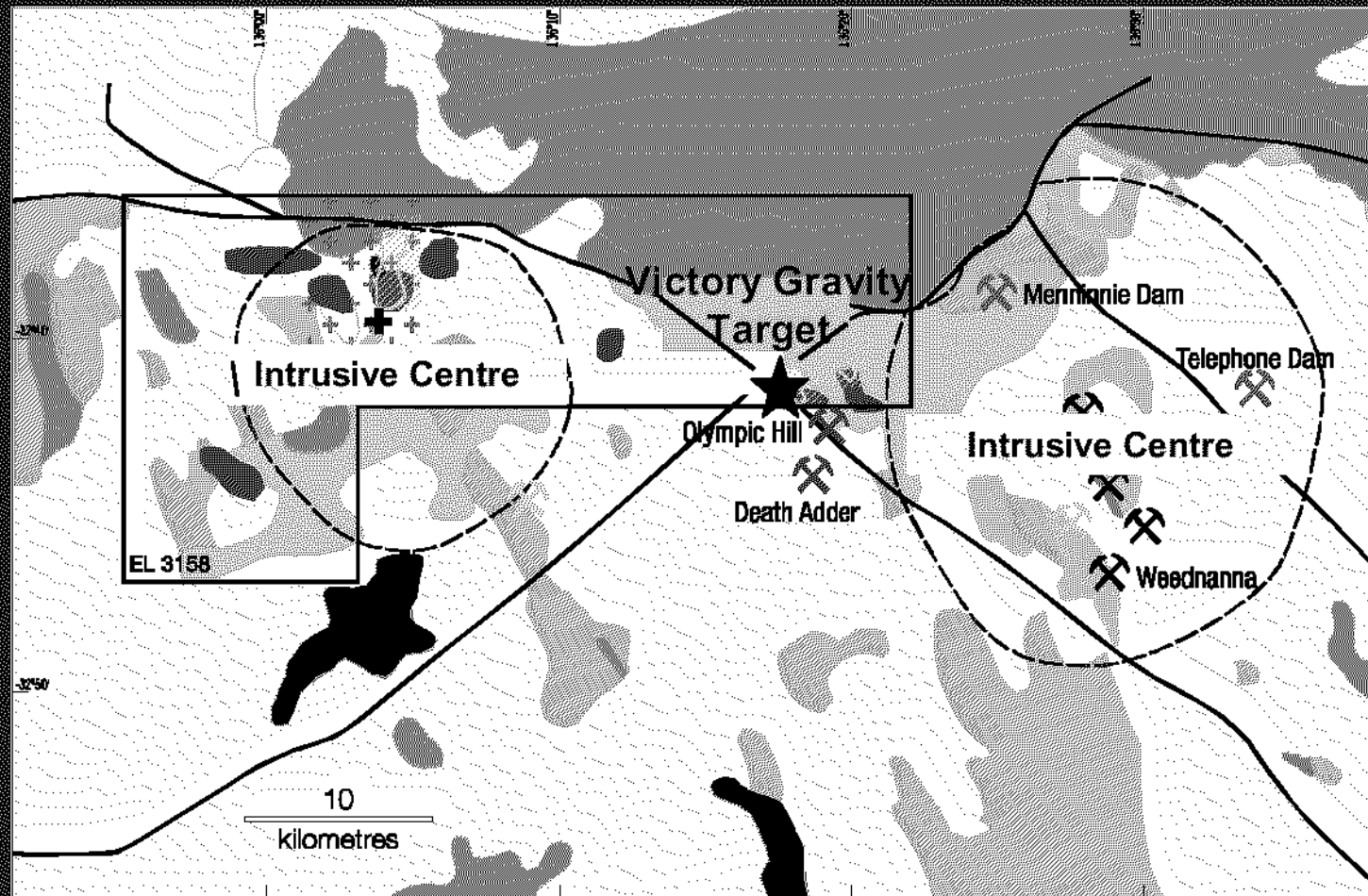
&

Victory Gravity Target

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Victory Gravity Target – Southern Gawler Arc





Victory Gravity Model



Buried 6 milligal anomaly

Nearest outcrops have
haematite alteration;
subvolcanic breccias in area

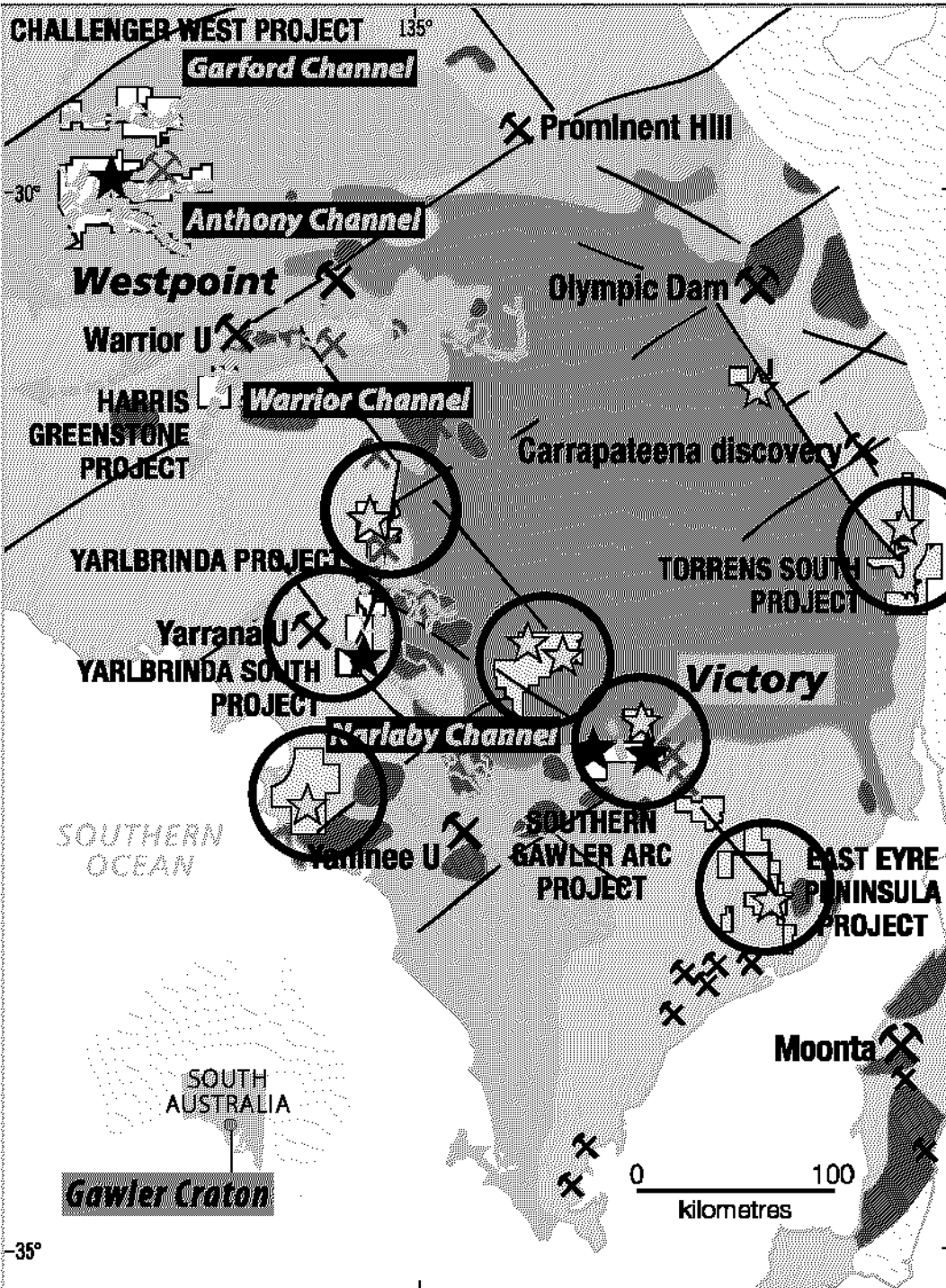
Copper and Uranium
anomalism at surface

Top 200m below surface

1000m diameter body =
Prominent Hill &
Carrapateena

MIM only drilled MIMDAS IP
targets nearby.....

Gravity target not tested



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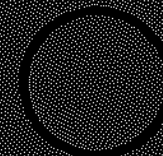
ACQUIRING NEW TENEMENTS & GRAVITY TARGETS



Exploration licences



New EL Applications



Over 7 new
deposit centres



With new gravity
targets

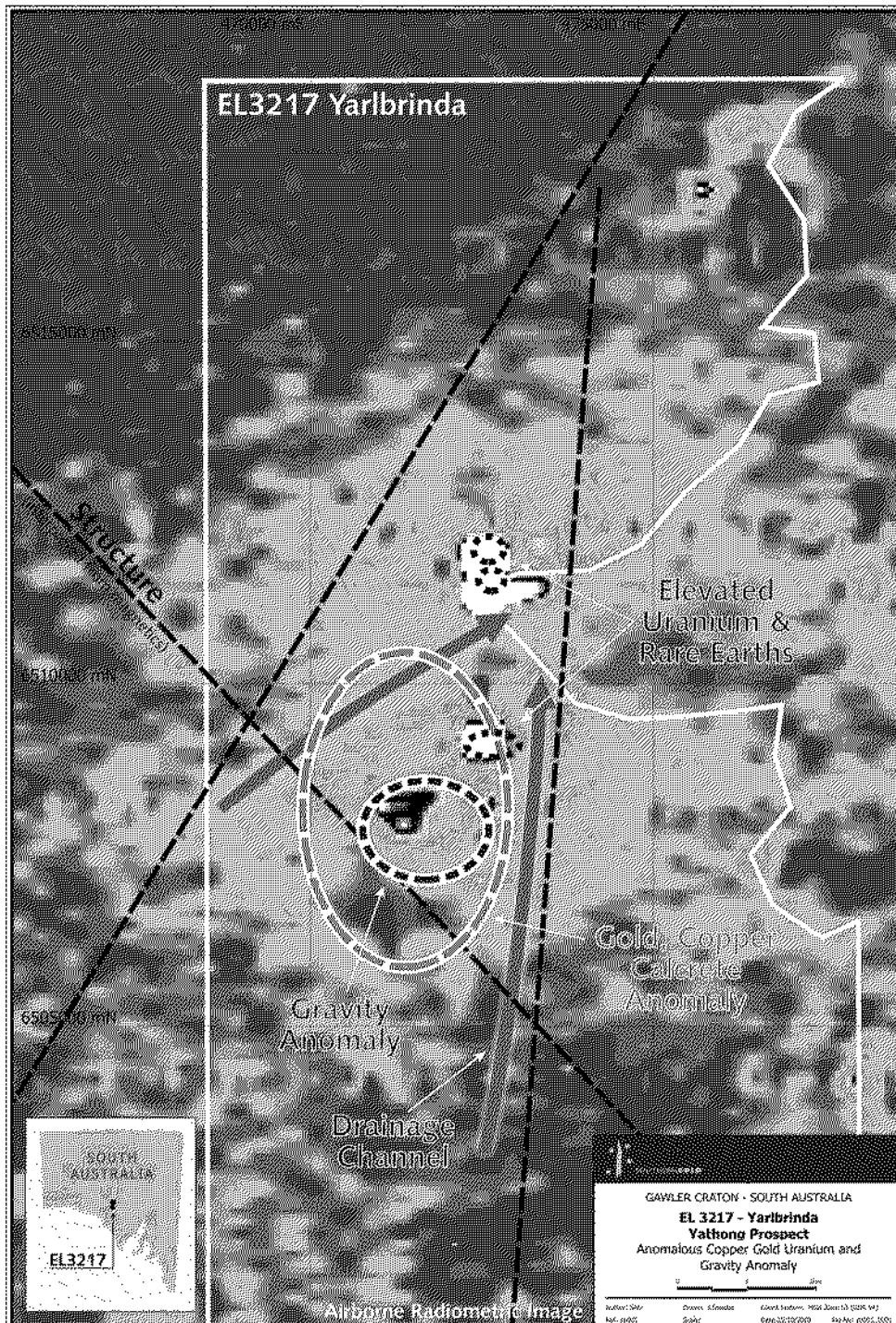
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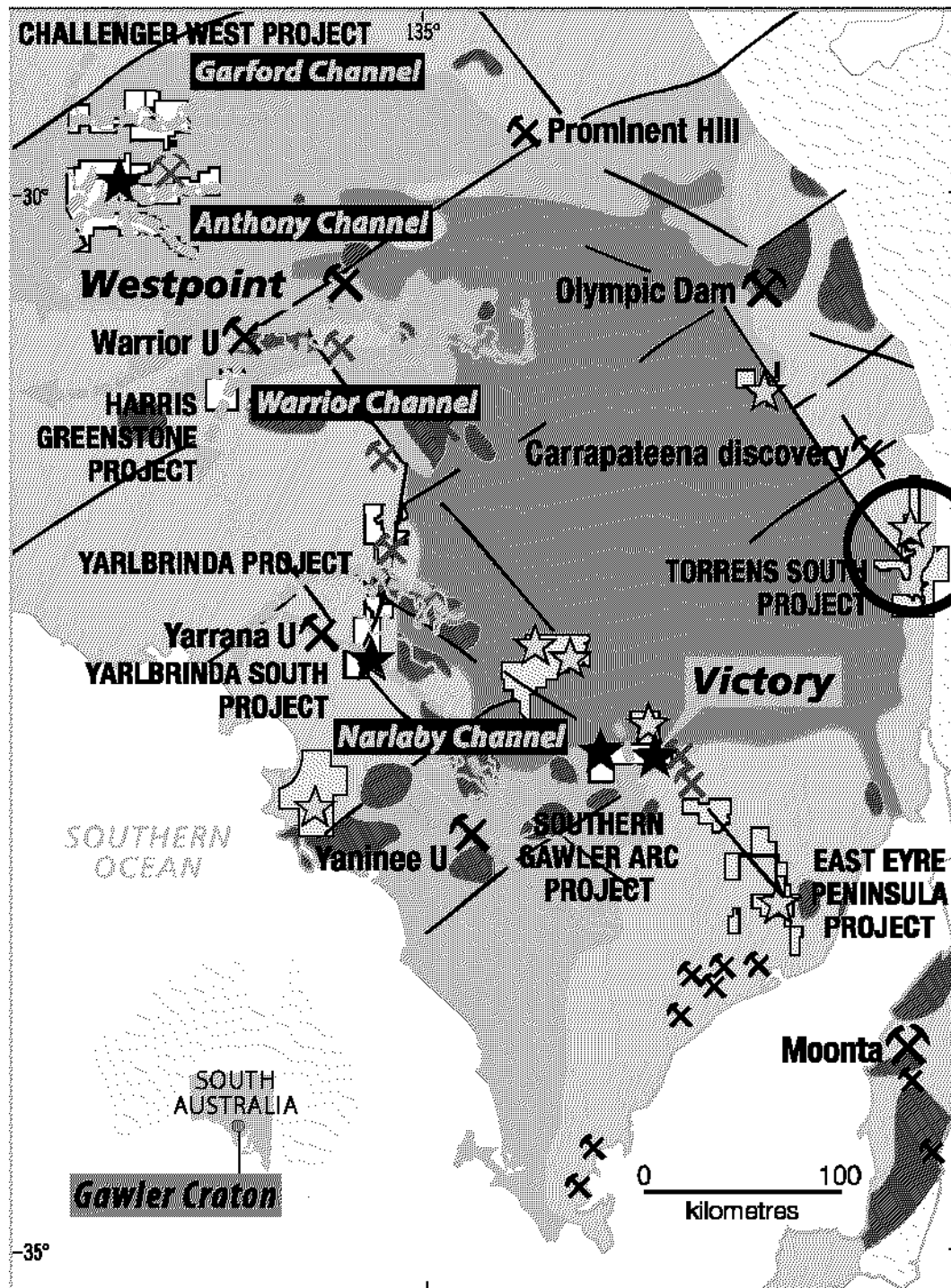
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Yathong Prospect EL 3217

- Regionally high radiometrics
- Elevated rare earths and uranium
- Gold and copper in calcrete
- Gravity anomaly coincident with magnetic IOCGU target
- Detailed gravity surveys just completed





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ACQUIRING NEW TENEMENTS & GRAVITY TARGETS



Exploration licences



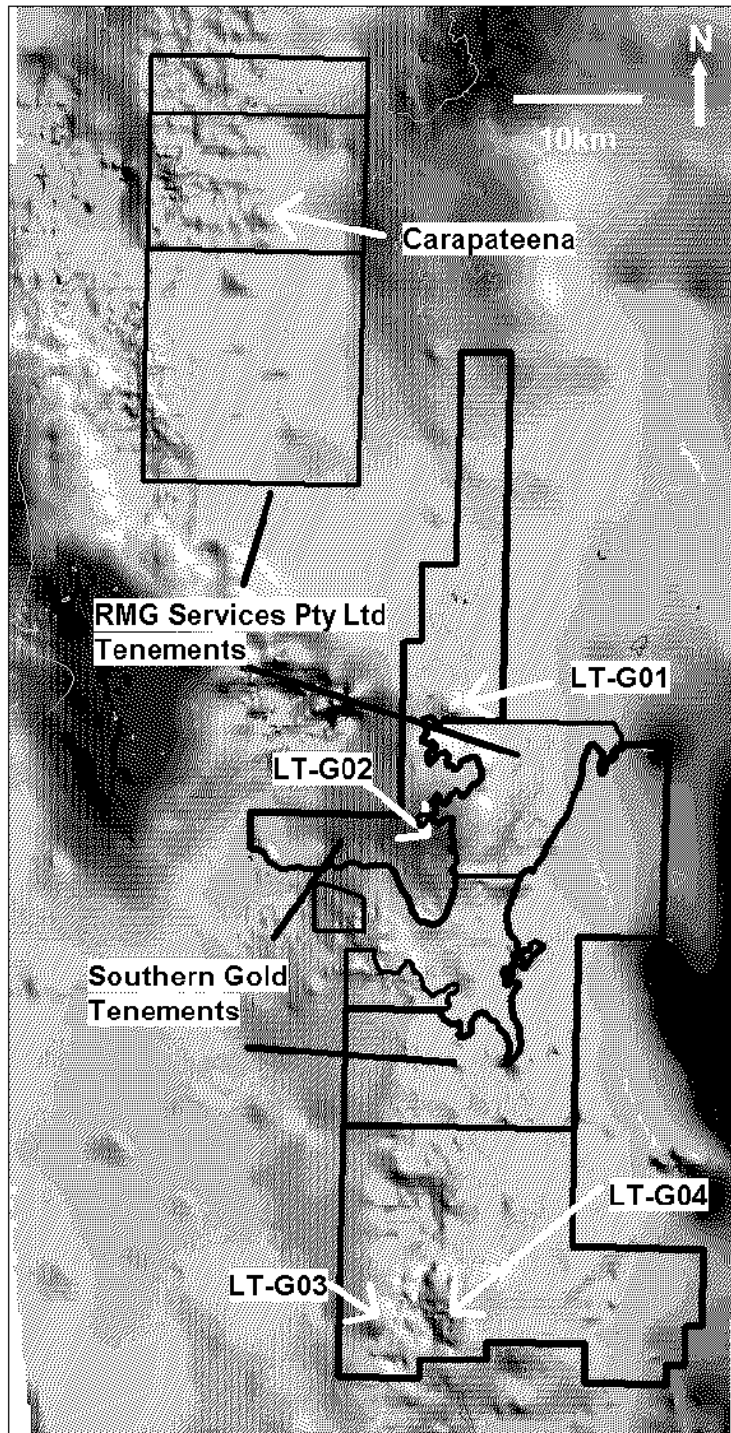
New EL Applications

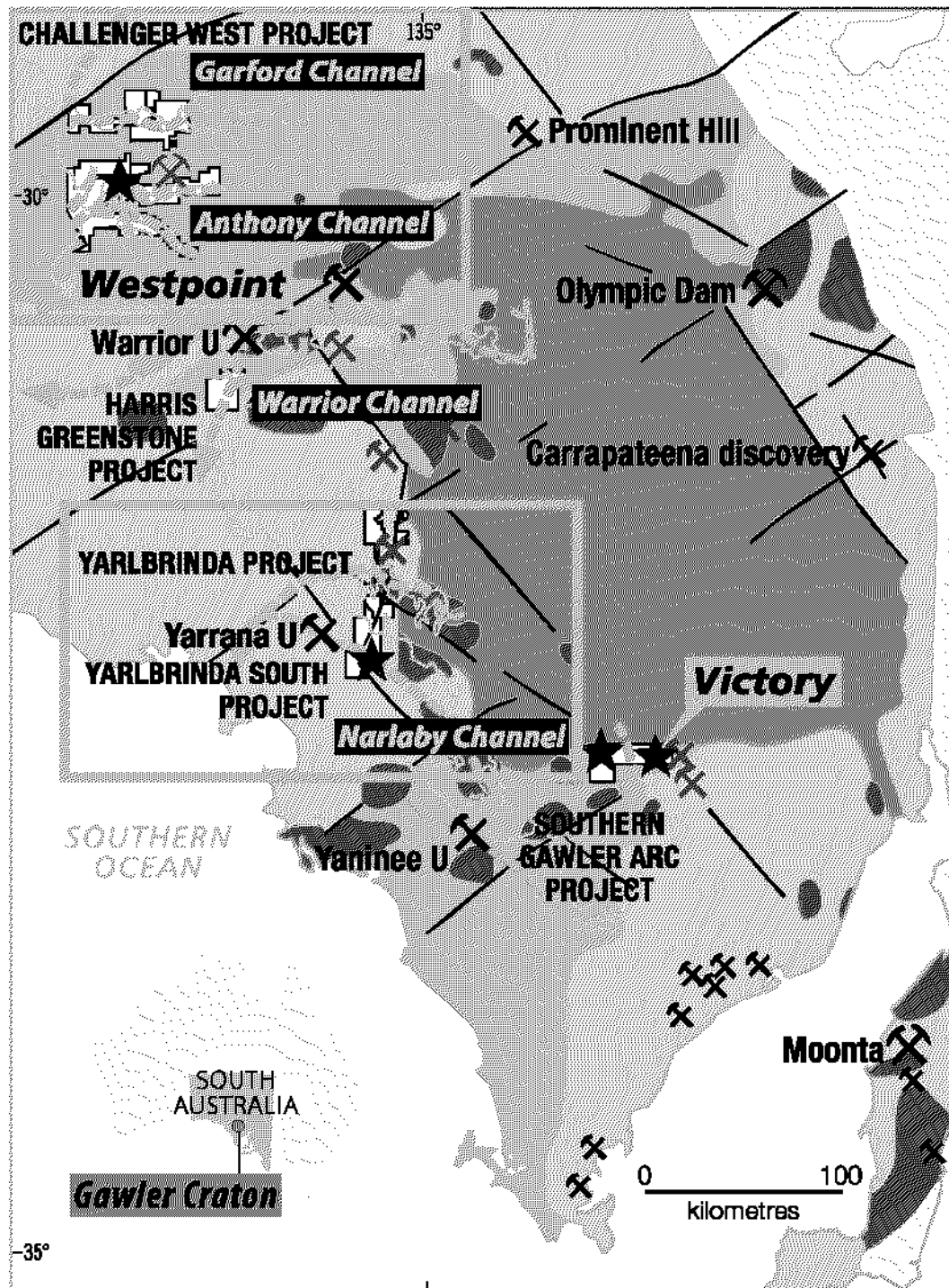
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Torrens South ELA

- New Exploration Licence Application
- Covers a number of Gravity Targets similar to nearby Carapateena
- Example of number of projects in the pipeline to develop into drill ready targets





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LEADING GROUND POSITION & TARGETS

 Exploration licences

 IOCGU targets

 Palaeochannel Uranium targets

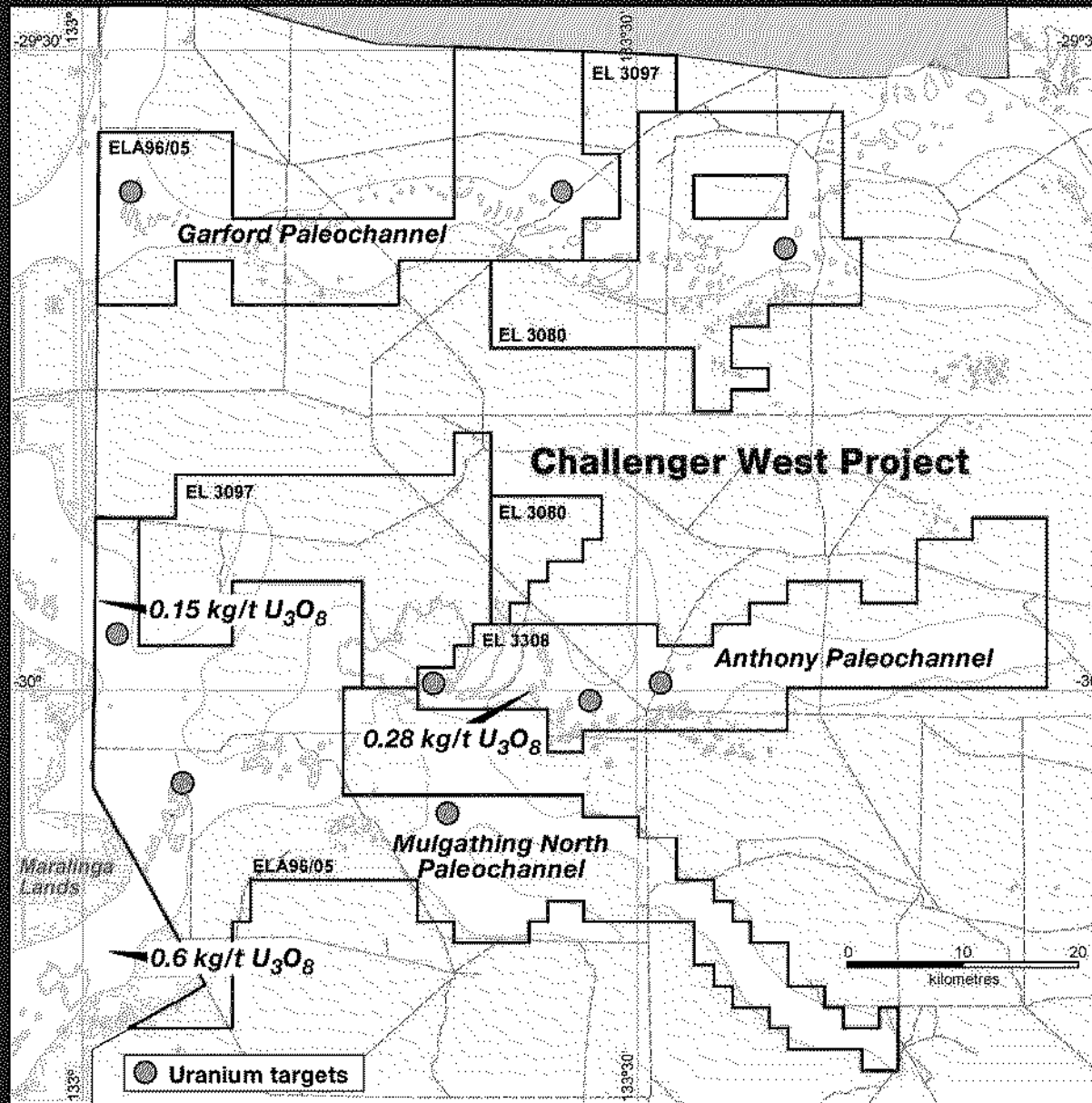
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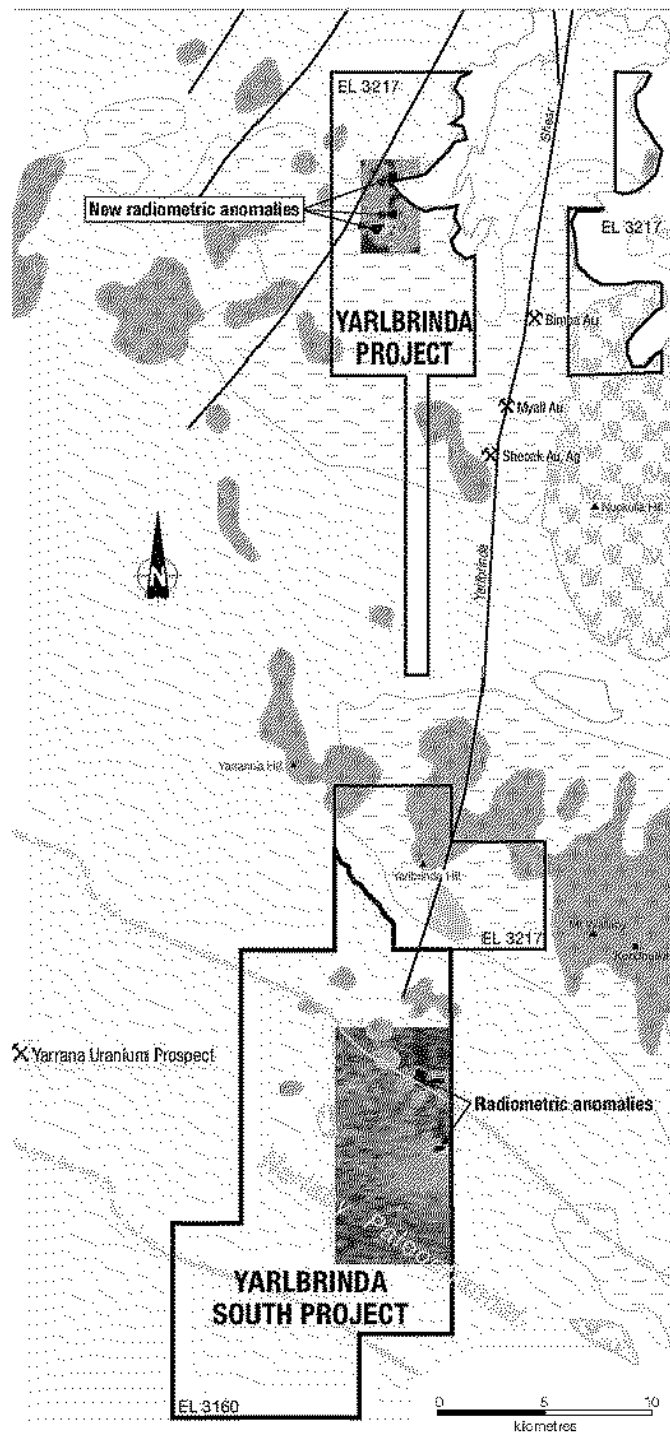


Challenger West Palaeochannel Uranium

180km of uranium bearing PC

- Uranium mineralisation drilled at depth by BHP 150ppm
- Uranium mineralisation also identified at surface by CRAE up to 600ppm
- Best ground holding for access and uranium roll-front deposits
- Uranium JV with Hindmarsh





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Yarlbrinda and Yarlbrinda South

- **Narlaby Palaeochannel hosts Yarranna U deposit**
- **U sourced from nearby “hot” Hiltaba Granites**
- **Ground gravity, radiometric and geochemical surveys completed**
- **Airborne EM Surveys Underway**
- **Uranium drilling planned early 2006**

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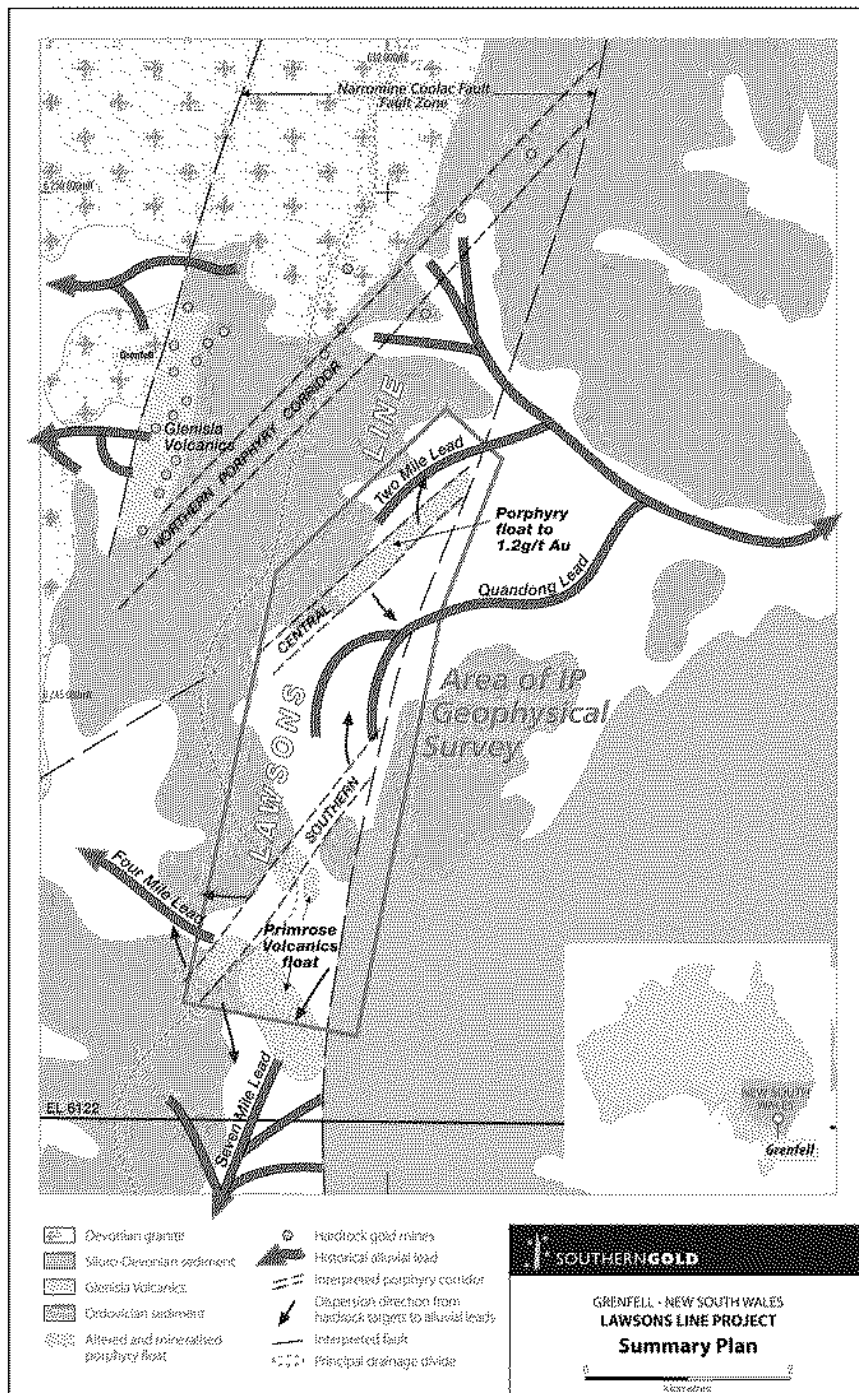
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Grenfell Goldfield

Lawson's Line target zone

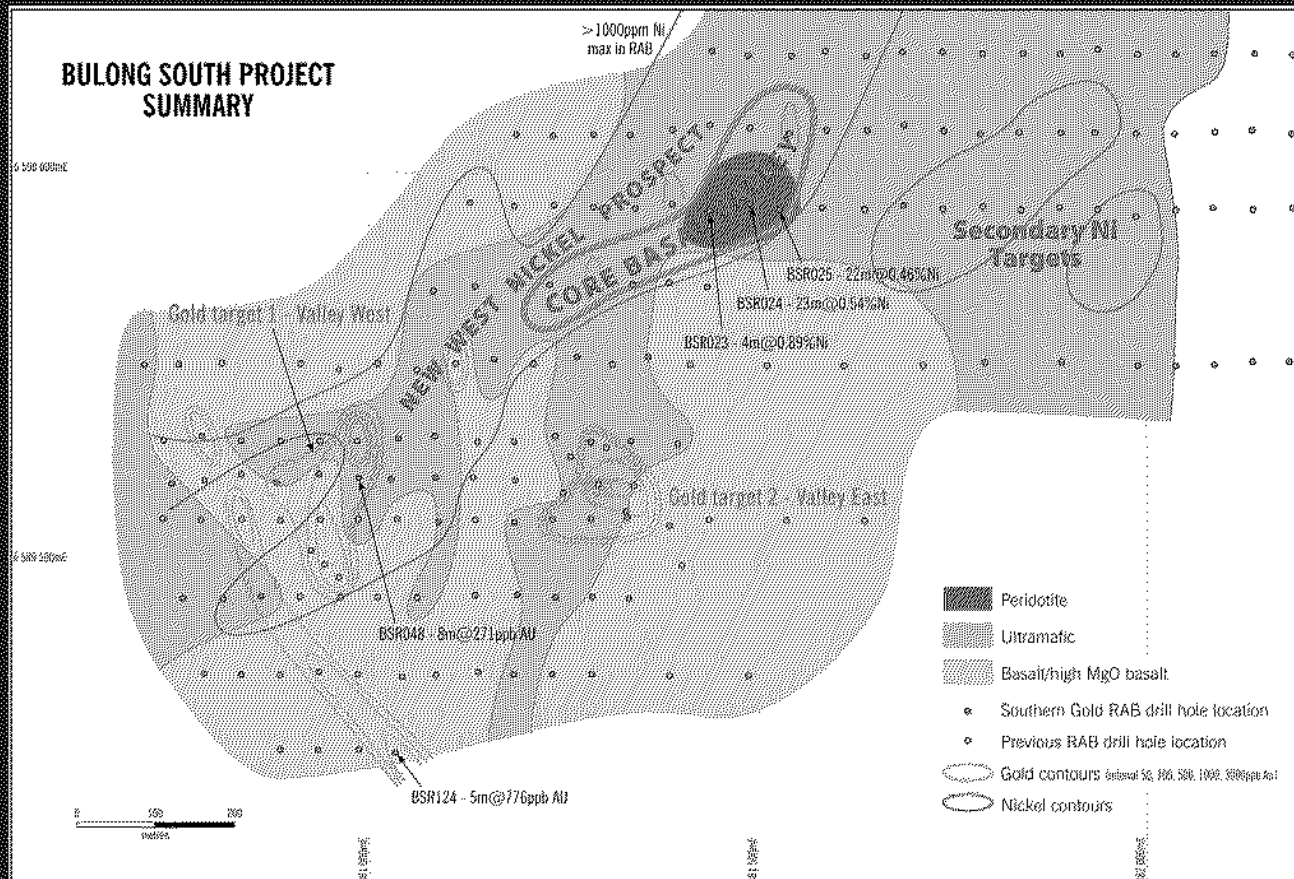
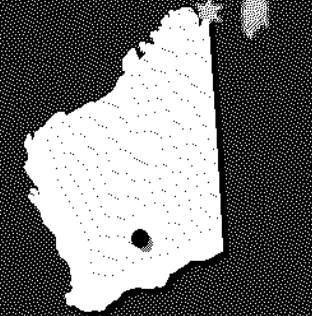
- 10t of gold produced in 1800's
- Source of deep lead gold
- Same region as Cadia (Newcrest), Cowal (Barrick) & Northparkes (Rio)
- Little modern exploration until...
 - Southern Gold finds new gold bearing Porphyry at Two-Mile
- IP Surveys completed



Bulong, Western Australia

Gold and nickel

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- High grade gold potential
- New Exploration Manager Peter Hill to assess nickel potential
- EM Surveys over New West Prospect

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Southern Gold Exploration Schedule

	Activity	Results
Grenfell IP Surveys (GOLD), NSW	Oct-05	Nov-05
Drilling at Victory (IOCGU), SA	Oct-05	Dec-05
Gravity Surveys (IOCGU) Yarlbrinda & Y. South, SA	Nov-05	Dec-05
Gravity Surveys (URANIUM) Challenger West, SA	Nov-05	Dec-05
Airborne EM Surveys (URANIUM) Yarlbrinda South, SA	Dec-05	Jan-06
Gravity Surveys (IOCGU) Southern Gawler Arc, SA	Dec-05	Jan-06
Drilling at Grenfell (GOLD) , NSW	Jan-06	Feb-06
Drilling at Challenger West, Yarlbrinda and Y.South	EARLY 2006	

SAU Strategy for 2006

Continue exploration and drilling of cornerstone projects

Corporate expansion of our uranium business

**Develop Major Alliances on ground holding in the Gawler
Craton**

Acquire interest in advanced projects