

Southern Gold Limited

Advanced Gold Exploration in Cambodia and Australia

Paydirt Gold Conference

**15 March 2010
Stephen Biggins
Managing Director**

SOUTHERNGOLD



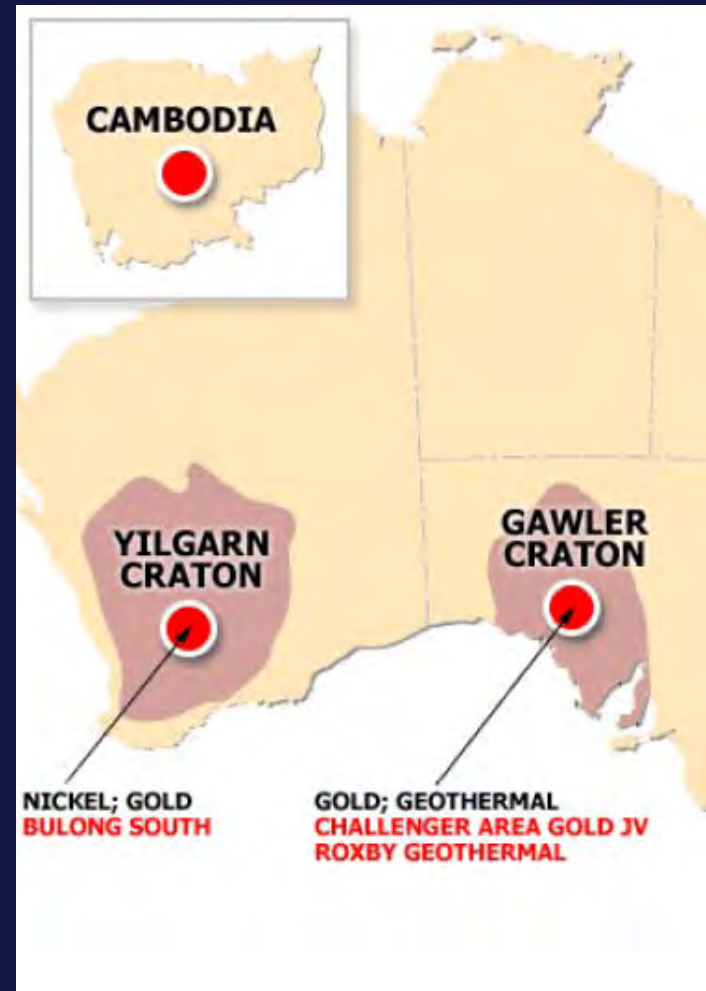
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The information in this report has been compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as an employee of Southern Gold and who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. As a Competent Person, he has a minimum of 5 years relevant experience in the style of mineralisation and types of activities being reported and has given written consent to the above report in the form and context in which it appears.

Southern Gold Overview

- Advanced gold exploration projects targeting large, new discoveries
- Recent success at **Bulong South** in W.A.
 - 15m @ 9.55g/t and 66m @ 2.9g/t Au and 43 @ 3.4g/t Au
 - Awaiting assays from 1,800m RC program
- Co-funded **Challenger Joint Venture** over large area surrounding Dominion's 100,000oz pa Challenger Gold Mine, S.A.
- JOGMEC spending US\$4.5M on properties in **Cambodia**
 - Initial drilling returned 8m @ 5.9g/t Au
 - 8,000m of drilling underway - results pending
- Active exploration programs across all projects



SAU Corporate Snapshot

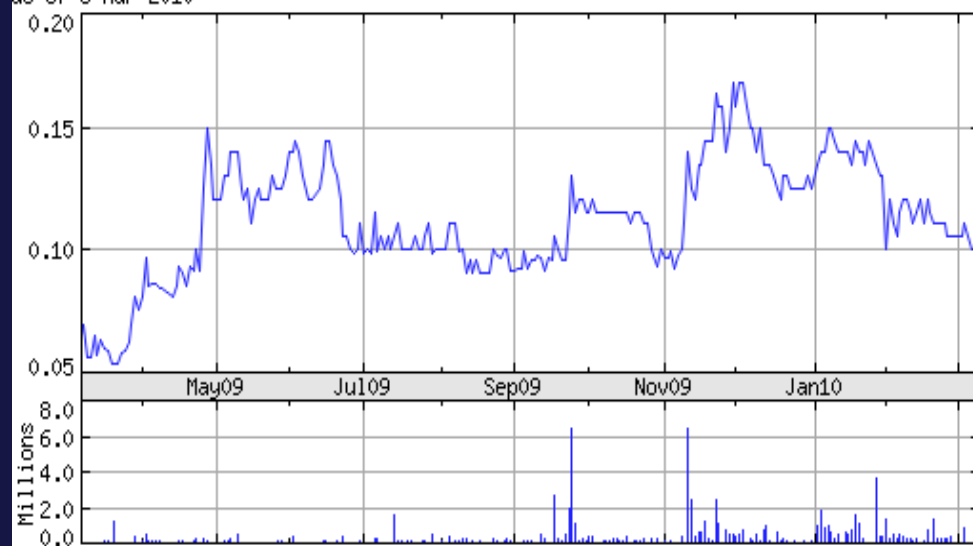
ASX Code	SAU
Issued Shares	180m
Market Cap (at 11 cents)	\$20m
Cash (31 Dec 2009)	\$6.5m
Debt	-
Enterprise Value	\$13.5m

Major Shareholders	
Talbot Group Holdings	18%
Top 20	40%

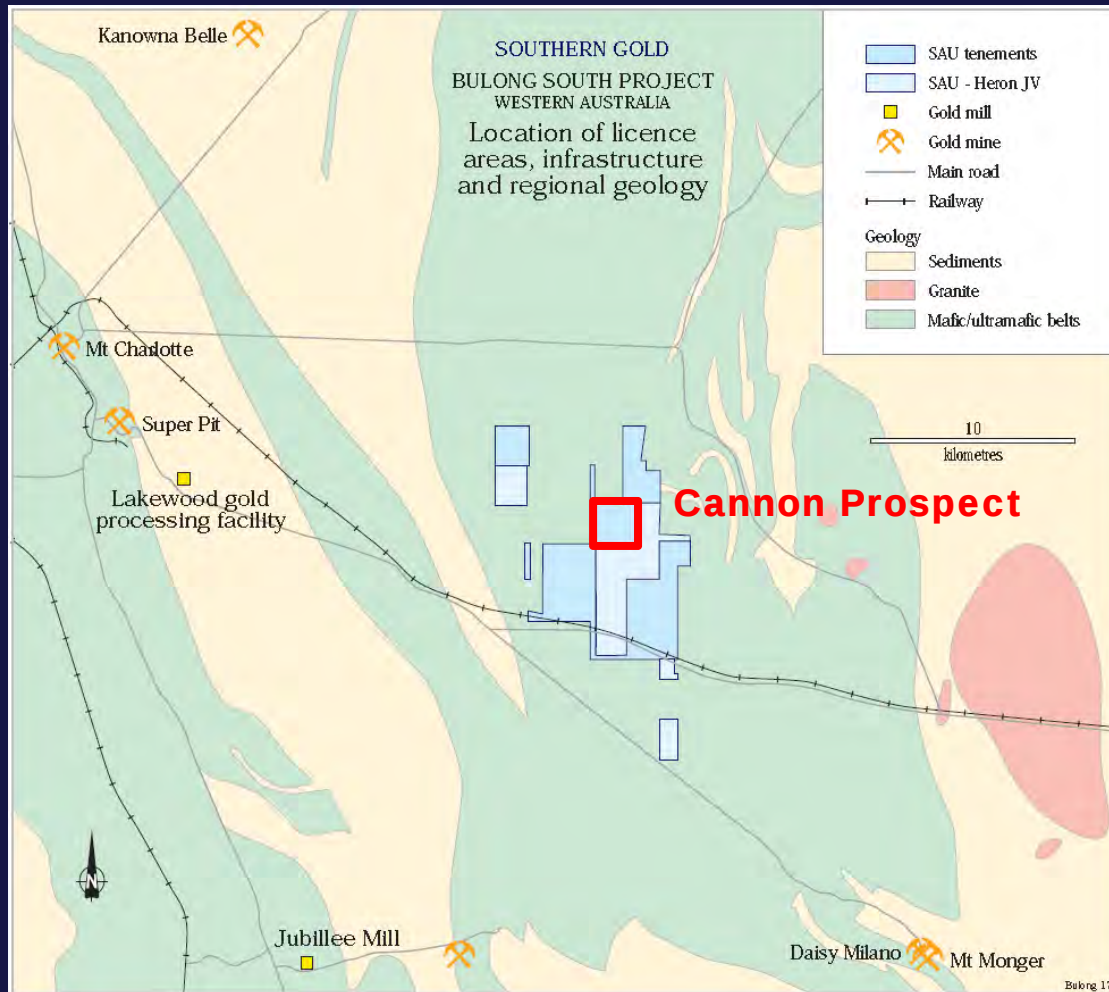
Board and Senior Management

Chairman	Greg Boulton
Managing Director	Stephen Biggins
NED	Mick Billing
GM Cambodia	Grant Thomas

SOUTHERN GOLD
as of 5-Mar-2010



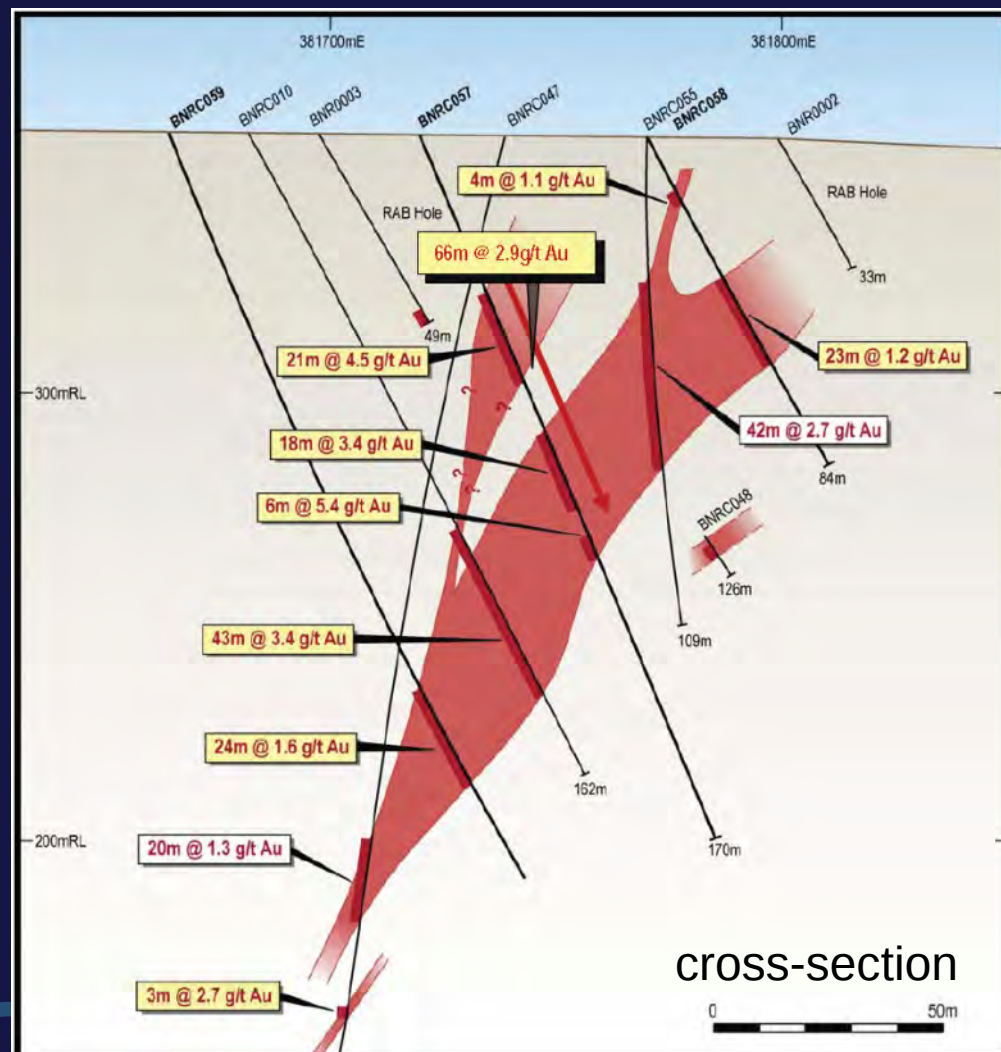
Bulong South Project, Kalgoorlie, W.A.



- Large Tenement Holding (100% & JV) in district of major gold deposits, mines and mills
- Hurdles to production are low due to infrastructure
- SAU has made discoveries in 2008 and 2009 through well managed and focussed exploration programs
- Next drill results expected in early April

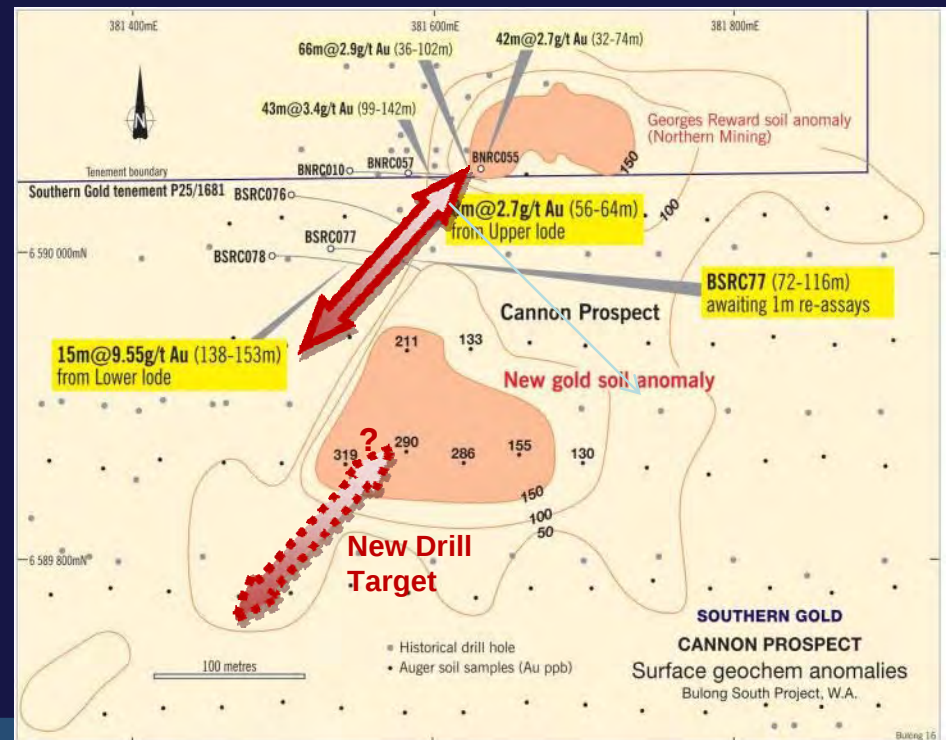
Cannon Prospect – Thick Gold Intersections

Thick high grade mineralisation close to surface and open at depth (+150m)



Bulong South Project – Cannon Prospect (100% SAU)

- Large, thick gold intersections at Cannon Prospect include:
 - **15m @ 9.55g/t, 66m @ 2.9 g/t, 42 @ 2.7g/t & 43 @ 3.4 g/t**
- Known mineralisation:
 - comes to surface near tenement boundary
 - plunges/strikes to the SW
 - open at depth (~150m)
- New gold anomaly 200m to the south of these drill hits
 - very similar target
- 1,800m of drilling just completed on both targets - assays pending
- Ramp-up drilling in 2010



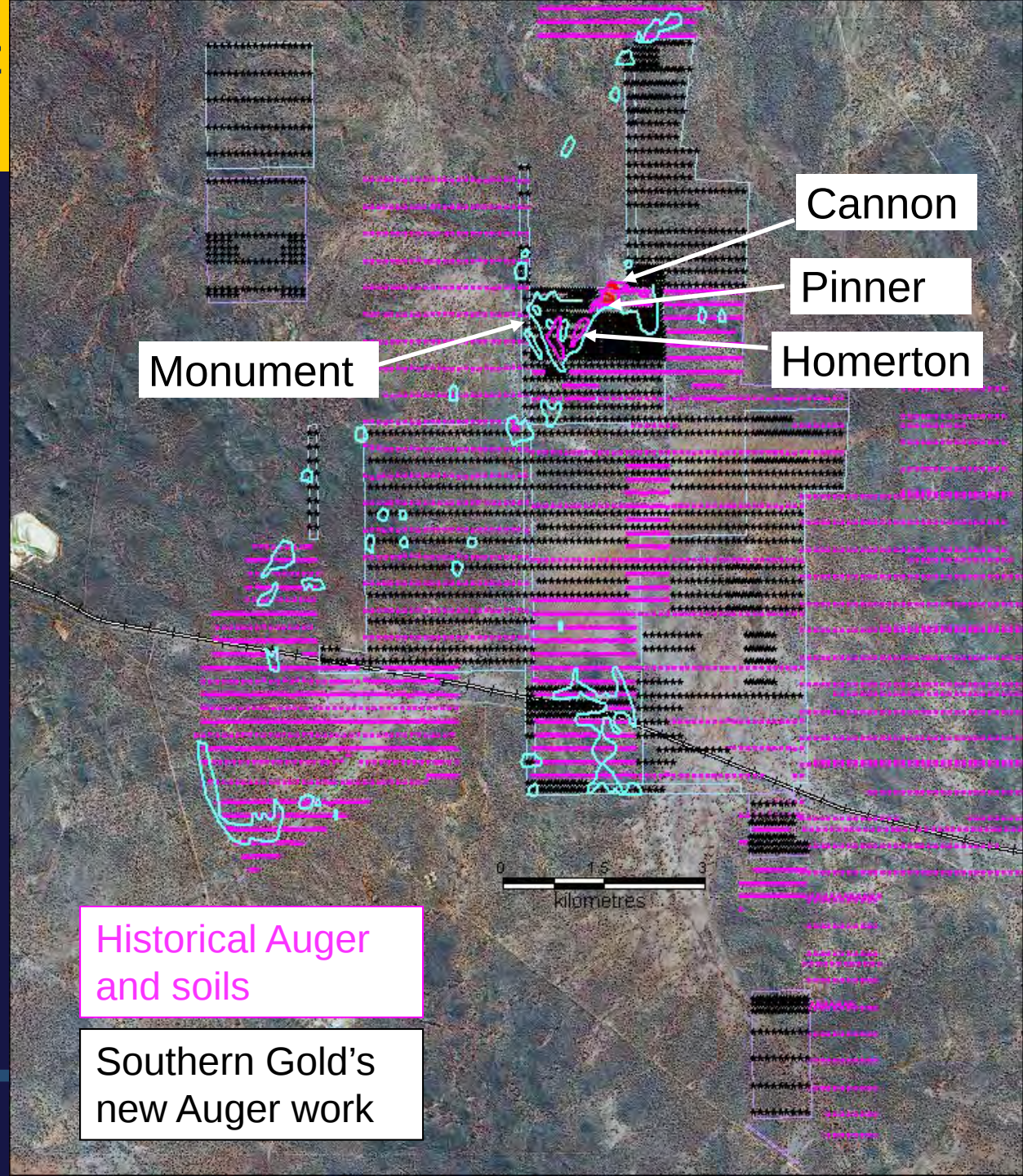


Plunging high-grade mineralisation open at depth and SW along strike



Bulong South Project Regional Exploration

Looking to replicate
success of auger soil
(calcrete) anomalism
at Cannon over larger
tenement area



Cambodia - Exploring for Company Making Deposits



Active workings at the Snoul prospect. - SAU gold assay up to 70g/t !



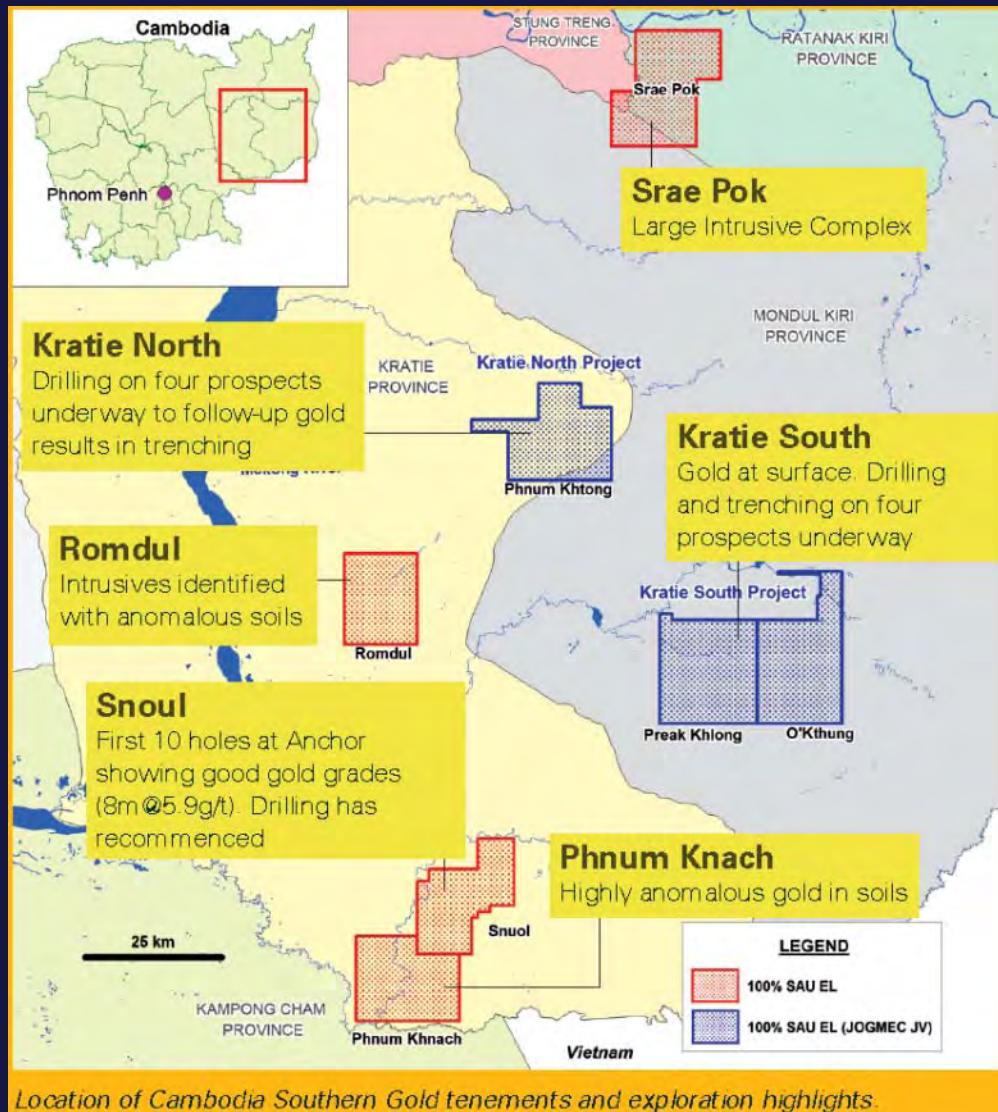
Local gold panning on Phreak Khlong EEL

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Seven Cambodian Projects - World Class Region

- Seven tenements secured in Cambodia covering 1,500km²
- Targeting large, new discoveries in highly prospective geological region
- Tenements adjacent to licences being explored by Oz Minerals (ASX:OZL)
- US\$4.5 million JV with JOGMEC on 3 of 7 projects
- Initial drill results include **8m @ 5.9g/t, 4m @ 5.8g/t and 1m @ 9 g/t gold**
- Grant Thomas (ex-Tianshan Goldfields Managing Director) is Southern Gold's General Manager in Cambodia
- Aggressive exploration program underway for 2010 field season (results to flow over coming months)
 - 4,000 geochemical samples
 - 8,500m of trenching
 - 3,000m of RC drilling (1 rig on-site)
 - 4,000m diamond core drilling (3 rigs on-site)

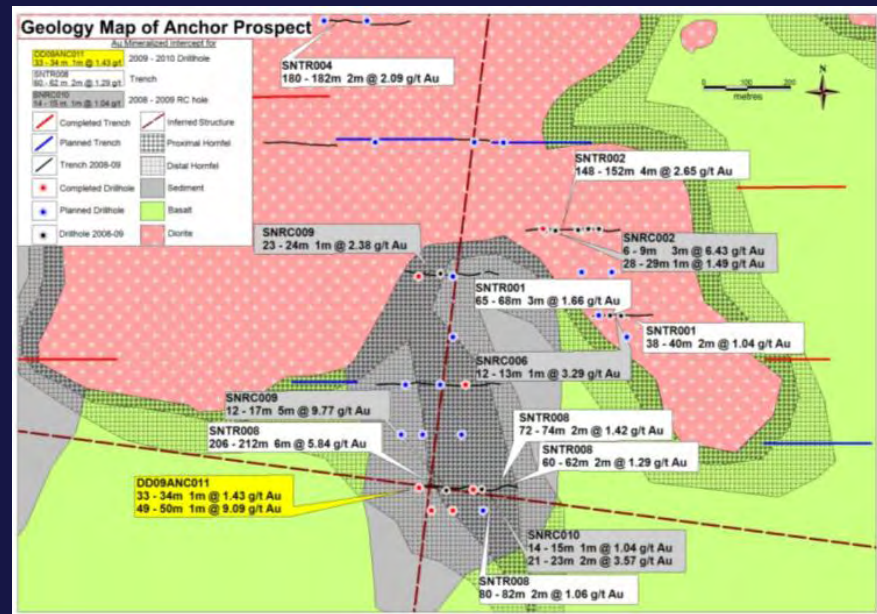
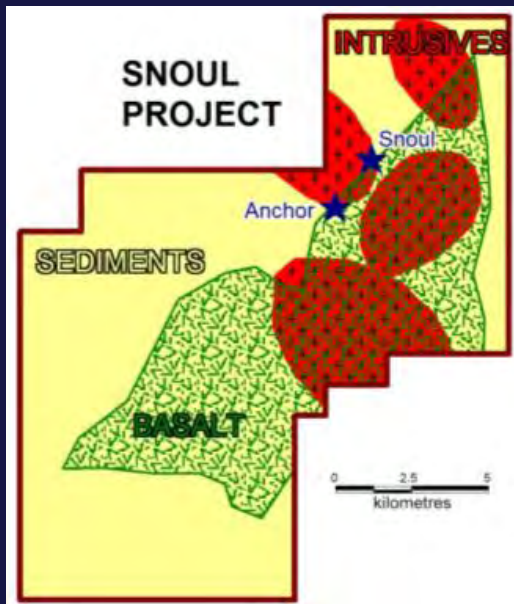
JOGMEC Joint Venture - International Partner



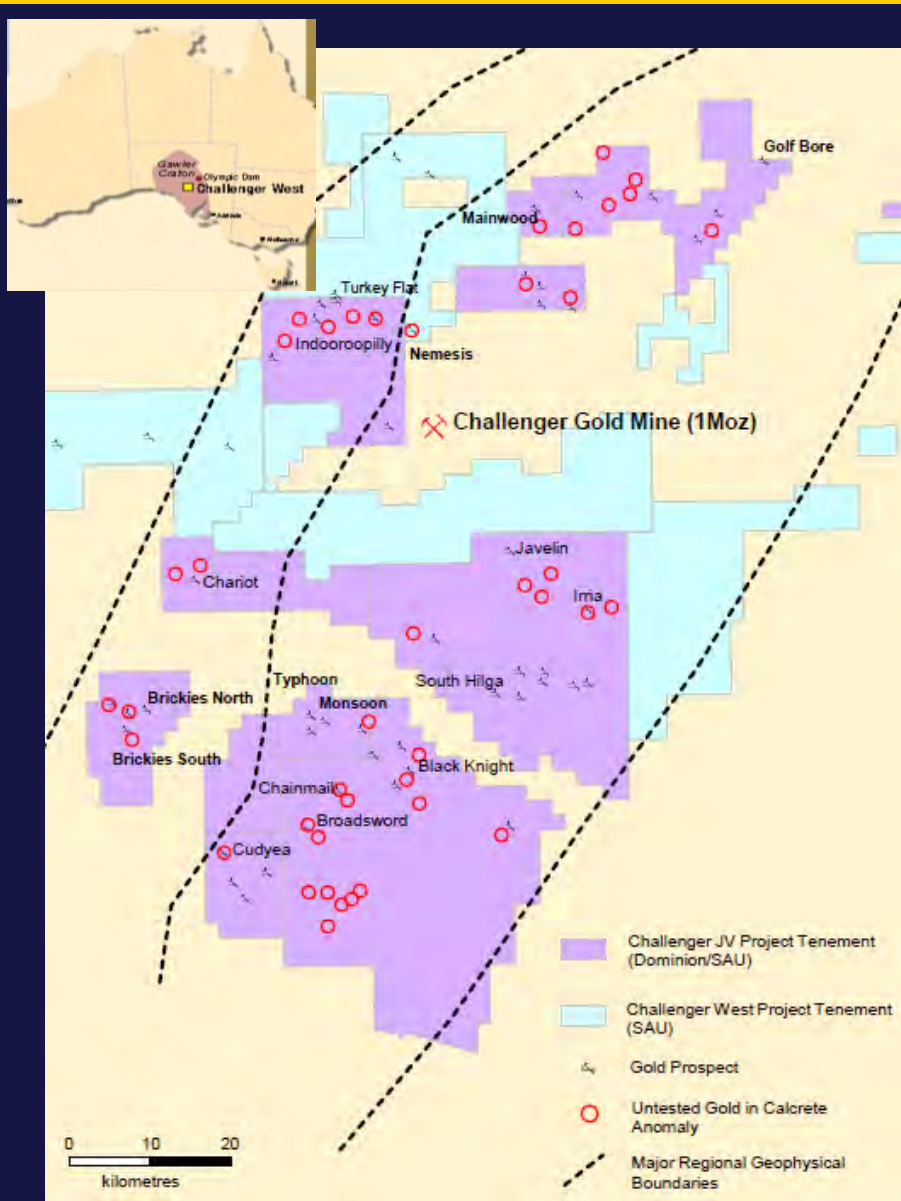
- US\$4.5 million to be spent by JOGMEC by mid 2011 to earn 51% on 3 of 7 SAU licences
- US\$1.5 million spent to date
- US\$1 million more committed to be spent by June 2010
- SAU is JV operator
- Follows Japan's interest in the region for many years

Cambodia - First Significant Gold Results

- First significant gold intersection drilled in July 2009
- **8m @ 5.9g/t, 4m @ 5.8g/t & 1m @ 9g/t** at Anchor Prospect, Snoul EL (100% SAU)
- Multiple vein system at Anchor Prospect
- Phase-1 drilling (7-holes) completed - alteration, veins and sulphides intersected in all Phase 1 drillholes - awaiting results from six holes
- Phase-2 drilling (1,300m) to re-commence in April



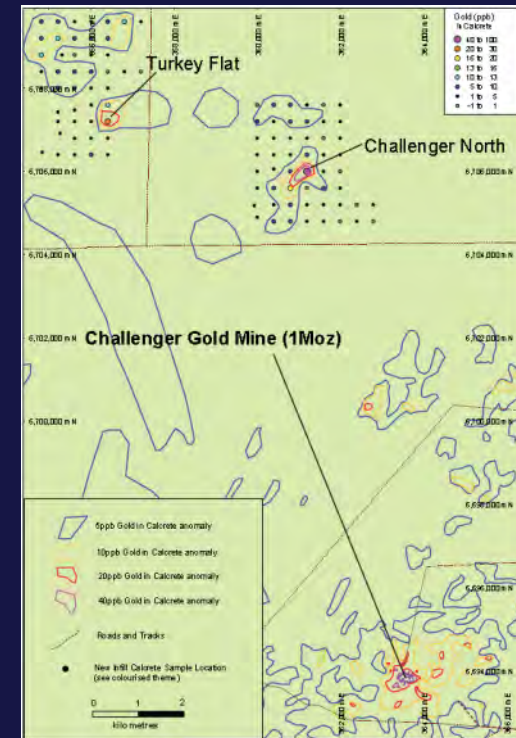
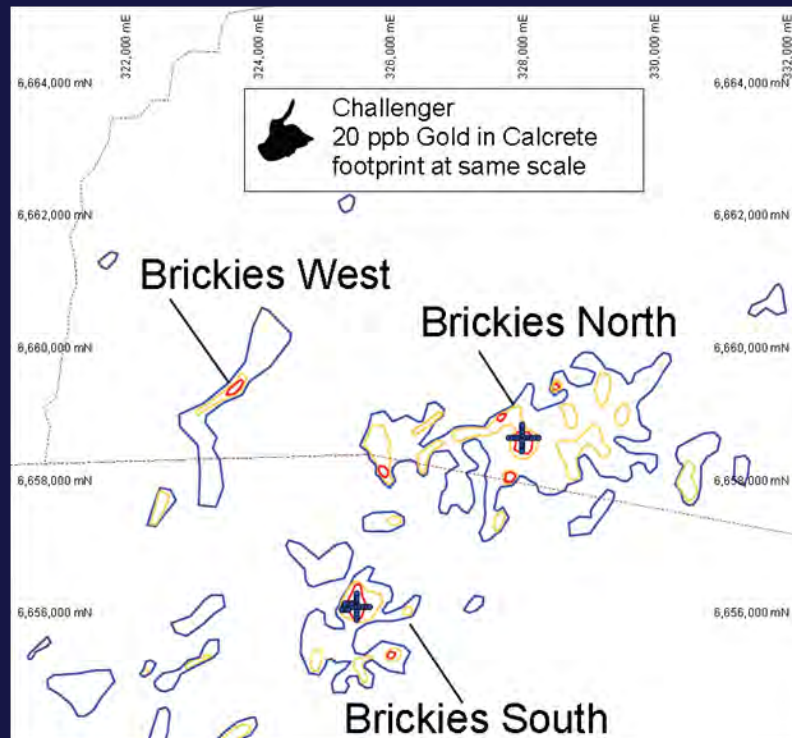
Challenger Area Gold Project - South Australia



- 5,000 km² project area surrounding million ounce Challenger Gold Mine, mostly in Joint Venture with Dominion Mining
- Southern Gold has earned a 51% interest in the Challenger Area Gold Joint Venture with Dominion
- Dominion recently elected to maintain its 49% interest by pro-rata funding
- JV partners confident that area hosts more Challenger-style gold deposits near the million ounce mine
- Significant regional potential with 10 targets prioritised – many undrilled
- 8,000m of drilling starting in April

Challenger Area Project - Regional Exploration

- 8,000m of drilling planned to commence in April
- 10 large targets prioritised for drilling
 - e.g. Brickies Prospects, Challenger North Prospect



Southern Gold Work Program

Project	Mar Qtr 2010	Jun Qtr 2010	Sep Qtr 2010	Dec Qtr 2010
Bulong South, WA	RC Drilling	RC & DD Drilling	RC & DD Drilling	volume/grade evaluation ?
Challenger Area JV, SA		8,000m Drilling	RC Drilling	
Cambodia	RC & DD Drilling	RC & DD Drilling		RC & DD Drilling
Roxby Geothermal, SA			IPO	

Southern Gold – drilling over 15,000m in 2010

Bulong, WA

- **Drill results include 15m @ 9.6 g/t, 66m @ 2.9g/t & 43m @ 3.4g/t**
- **1,800m RC drilling program completed – awaiting results**
- Expect to further increase drilling in 2010

Cambodia

- Significant gold intersections including 8m @ 5.9g/t gold
- 7,000m of RC and diamond drilling underway – awaiting results
- JOGMEC spending US\$4.5 million on JV ground (3 of 7 projects)

Challenger JV Project, SA

- Surrounds Dominion's 100,000 oz pa Challenger Gold Mine
- 10 targets prioritised for 8000m of drilling starting in April

Geothermal, SA

- 260,000 PJ Geothermal Resource & targeting IPO/divestment in 2010