

17 November 2011

**APPOINTMENT OF
PROJECT DEVELOPMENT MANAGER**

Southern Gold Ltd (ASX:SAU) is pleased to announce the appointment of Mr Ian Blucher as Project Development Manager. Mr Blucher is an experienced geologist having held senior mining and exploration positions with companies including Normandy Poseidon Group, Great Central Mines NL and Jabiru Metals Ltd. Mr Blucher has had major roles in start-up mining activities, input and review of ore reserve modelling and the co-ordination and implementation of inputs to scoping studies and feasibility studies.

KEY POINTS

- **Mr Ian Blucher, is a highly experienced geologist with a strong background in processes and procedures from start-up mining activities to responsibility for the development and implementation of geological, geotechnical processes.**
- **Mr Blucher's background has included work with Normandy Poseidon Group (Big Bell Mines), Great Central Mines NL (Bronzewing Gold Mine and Jundee Gold Operations), Giants Reef Mining Ltd (Chariot Gold Mine) and more recently Mine Geology Superintendent for Jabiru Metals Ltd (recently acquired by Independence Group Ltd) later moving into the role of Scoping Study and Permitting Manager (Stockman and Bentley projects).**
- **Mr Blucher's main role will be to evaluate development and growth options at the Bulong Gold Project located 30km east of Kalgoorlie, WA.**

Southern Gold's Managing Director Ms Anderson, said she is delighted with Ian's appointment to this important role. "With over 30 years of experience in exploration and development of gold and base metal projects, Mr Blucher brings key expertise to achieve the company's strategic objectives at our flagship Bulong gold project. That is to implement preliminary evaluation studies of the Cannon Gold resource¹."

Reporting to the Managing Director, Mr Blucher's work will be primarily focused on the development options of the Cannon Gold resource (located 30km east of Kalgoorlie, WA) and will oversee exploration of near resource and regional gold targets within the Bulong Project area. Heading up Southern Gold's Australian technical team, Mr Blucher will also oversee the development of work plans for all of the company's Australian project areas.

In the upcoming quarter, preliminary studies of the Cannon Gold resource and development options will commence. Metallurgical and further geotechnical work will be conducted along with the commencement of environmental studies.

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¹ [For 'Resource Statement and Parameters' and other details of the Cannon Gold Resource as estimated by Runge Limited, see Southern Gold's ASX Announcement dated 22 June 2011]