



MARKET RELEASE

5 March 2012

SOUTHERN GOLD LIMITED

TRADING HALT

The securities of Southern Gold Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Wednesday 7 March 2012 or when the announcement is released to the market.

Security Code: SAU

Justin Nelson
Manager, Listings (Adelaide)

5 March 2012

Mr J Nelson
Manager, Issuers (Adelaide)
ASX Markets Supervision Pty Ltd
Level 25, 91 King William Street
ADELAIDE, SA 5000

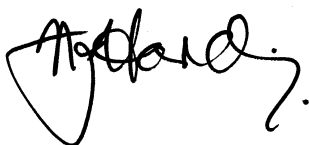
Dear Mr Nelson,

RE: TRADING HALT REQUEST

Southern Gold Limited (ASX:SAU) requests a trading halt be put on its securities immediately pending an announcement to the market regarding a proposed capital raising, primarily to fund the economic evaluation of the Company's Cannon Gold resource and the continuation of the exploration program at the Bulong project in Western Australia.

Southern Gold Limited can see no reason why a trading halt should not be put on its securities. The trading halt is expected to be lifted by no later than before commencement of trading on Wednesday 7 March 2012.

Yours sincerely,



Nick Harding
Company Secretary