SOUTHERNGOLD

ASX RELEASE
ASX code SAU

22 March 2012

By E-mail: ASX On-line

Manager Companies
Company Announcements Office
ASX Limited

Dear Sir/Madam

ASX Code: SAU
Notice of dispatch of Rights Issue Offer Memorandum

Southern Gold Limited refers to the Offer Memorandum lodged with ASX on 7 March 2012 for a fully underwritten two (2) for seven (7) non-renounceable pro-rata entitlement issue of up to approximately 77 million new shares in Southern Gold Limited (without taking into account the impact of rounding) priced at $0.043 per new share (**Rights Issue**).

The Offer Memorandum was dispatched to shareholders today.

Please note that paragraph 12 of section 1 of the Offer Memorandum as lodged with ASX on 7 March 2012 has been amended due to an alteration in the process by which the broker handling fee may be claimed by qualifying brokers. A copy of the amended Offer Memorandum is attached. Please refer to paragraph 12 of section 1 of the amended Offer Memorandum for full details of the broker handling fee.

Yours sincerely,

Nanette Anderson
Managing Director

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