

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



sinogold

SINO GOLD MINING LIMITED

澳 華 黃 金 有 限 公 司*

(incorporated in the New South Wales, Australia with limited liability)

(STOCK CODE: ASX: SGX, SEHK: 1862)

(a company incorporated in New South Wales, Australia with limited liability under the Australian Corporations Act 2001 (Commonwealth of Australia))

4 March 2008

INITIAL BEYINHAR ORE RESERVE OF 0.47 MILLION OUNCES

Sino Gold (ASX Code: SGX HKSE: 1862) is pleased to advise that the initial Beyinhar Ore Reserve is estimated to be 20.3 million tonnes at 0.72 g/t gold, containing 0.47 million ounces and that the Beyinhar Mineral Resource estimate has increased 37% to 51.0 million tonnes at 0.62 g/t gold, containing 1.0 million ounces, including Measured and Indicated Resources of 29.0 million tonnes at 0.63 g/t gold, containing 0.6 million ounces.

More details are included in the attached announcement.

By Order of the Board
SINO GOLD MINING LIMITED

James Edward Askew
Chairman

As at the date of this announcement, the directors of Sino Gold Mining Limited are:

Executive directors:

Mr. Jacob Klein

Mr. Hanjing Xu

Non-executive director:

Mr. James William D'Altera Dowsley

Independent non-executive directors:

Mr. James Edward Askew

Mr. Peter William Cassidy

Mr. Brian Henry Davidson

Mr. Peter John Housden

** for identification purposes only*



4 March 2008

INITIAL BEYINHAR ORE RESERVE OF 0.47 MILLION OUNCES

Highlights

- The initial Beyinhar Ore Reserve is estimated to be **20.3 million tonnes at 0.72 g/t gold, containing 0.47 million ounces**.
- The Beyinhar Mineral Resource estimate has increased 37% to **51.0 million tonnes at 0.62 g/t gold, containing 1.0 million ounces**, including Measured and Indicated Resources of 29.0 million tonnes at 0.63 g/t gold, containing 0.6 million ounces.
- Deposit **remains open along strike and at depth** with drilling in 2008 aimed at extending both the oxide and sulphide resource potential.
- Beyinhar is being **progressed towards a mine development** decision in late 2008.

Sino Gold Chief Executive Officer, Jake Klein, commented:

“Beyinhar is likely to become Sino Gold’s third mine and is shaping up as a simple heap-leach, open-pit mining operation.

“Further studies and permitting are progressing towards enabling construction of Beyinhar to commence towards the end of 2008.

“A substantial drilling program is planned for 2008 to both extend the oxide mineralisation and also to test the potential of the deeper, higher grade sulphide mineralisation.”

Mineral Resource Estimate

The Beyinhar Project in Inner Mongolia was acquired by Sino Gold as part of the take-over of Golden China Resources Corporation (“Golden China”). The data used in this new resource estimate is based on results from Golden China’s work program to 30 November 2007.

The previous resource estimate for Beyinhar was based on drilling to November 2006 and was released by Golden China in January 2007, as detailed in the “Technical Report and Resource Estimate for the Beyinhar Gold Deposit” dated 9 January 2007.

During 2007, an additional 148 diamond drill holes (totaling 20,937m) were completed.

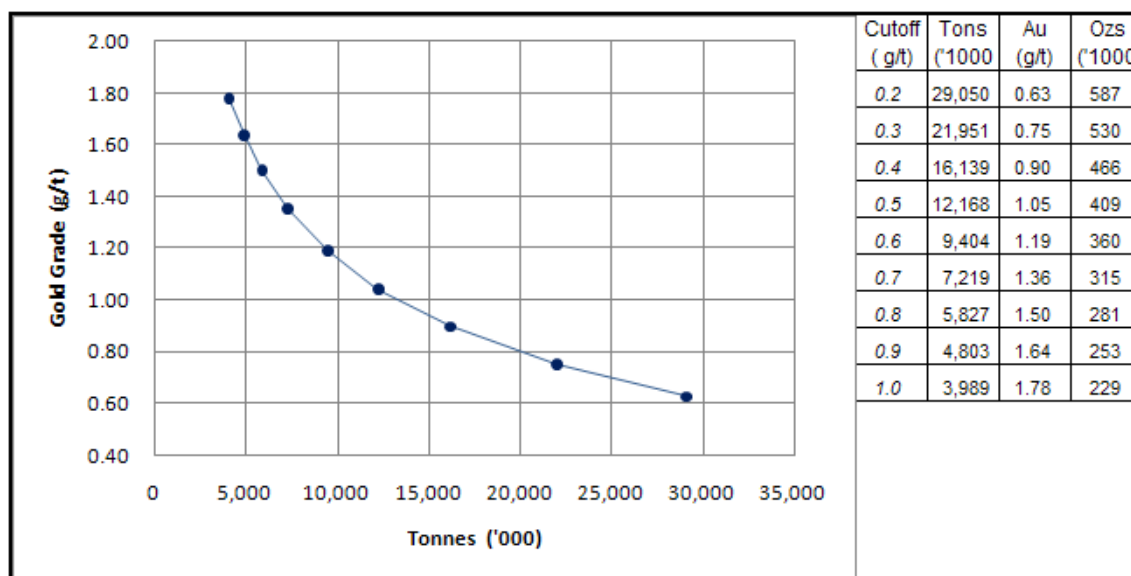
The updated Mineral Resource estimate for the Beyinhar gold deposit totals 51.0 million tonnes at 0.62g/t gold, containing 1.0 million ounces (at a cut-off grade of 0.20g/t gold). The bulk of the resource is situated in the oxide zone and is being considered as a heap-leach, open-pit mining operation. The updated Measured and Indicated Resource estimate of 29.0 million tonnes at 0.63 g/t gold, containing 0.6 million ounces, is contained entirely in the oxide zone.

A sulphide zone underlying the oxide resource is estimated to contain an Inferred Resource of 17.3 million tonnes at 0.65g/t gold, containing 0.36 million ounces. The potential of the sulphide mineralisation, which was a key driver behind the Golden China acquisition, includes high-grade epithermal quartz veins which will be the focus of future exploration.

Mineral Resource Category	January 2007			Change (%)	March 2008		
	Million Tonnes	Grade (g/t Au)	Ounces ('000)		Million Tonnes	Grade (g/t Au)	Ounces ('000)
Oxide							
Measured	6.4	0.80	164	-79	1.0	1.06	35
Indicated	19.7	0.60	380	45	28.0	0.61	552
Subtotal M+I	26.1	0.65	544	8	29.0	0.63	587
Inferred	16.0	0.38	196	-65	4.6	0.47	69
Total	42.1	0.55	740	-11	33.7	0.61	656
Sulphide							
Inferred				100	17.3	0.65	360
Total				100	17.3	0.65	360
Grand Total	42.1	0.55	740	37	51.0	0.62	1,016

Note: Cut-off grade of 0.20g/t gold used for both estimates. Mineral Resources are inclusive of Ore Reserves.

A cut-off grade of 0.20g/t gold was used for the resources reported above. The tonnes and grade of the Measured and Indicated Resources at varying cut-off grades is detailed in the graph and table below.



The updated resource estimate is primarily based on:

- Data from 292 diamond drillholes, totalling 42,000m, all drilled by Golden China;
- Drill spacings of generally 50m along strike and 50m down dip with limited areas of closer drill spacings; and
- Multiple Indicator Kriging geostatistical resource estimation technique.

Ore Reserve Estimate

The initial Beyinhar Ore Reserve estimate as tabulated below totals 20.3 million tonnes at 0.72g/t gold, containing 0.47 million ounces.

Ore Reserve Category	Million Tonnes	Grade (g/t Au)	Ounces ('000)
Proved	1.0	1.03	34
Probable	19.3	0.71	436
Total	20.3	0.72	470

Note: Cut-off grade of 0.22g/t to 0.25g/t gold used for this estimate.

Sino Gold is targeting to commence construction of a heap-leach, open-pit operation at Beyinhar during 2008.

Permitting has been progressed by Golden China on the basis of a 2.5Mtpa heap-leach “starter” operation at Beyinhar. The Chinese Feasibility Study to commence permitting this scale operation has been completed. Providing satisfactory results at the completion of further studies, the intent is to commence construction in the second half of 2008.

Metallurgical testwork undertaken by Kappes, Cassidy and Associates has estimated heap-leach gold recoveries of approximately 90% for near-surface, soft oxide ore and approximately 80% for deeper oxide ore. Very little testwork has been undertaken on mineralisation in fresh rock which is unlikely to be amenable to heap leaching. No mineralisation in fresh rock has been included in the reserve estimate.

Key parameters for this Ore Reserve estimate are:

- Gold price of US\$650 per ounce; and
- Current estimates of operating costs.

Based on the above, a cut-off grade of 0.22g/t gold was estimated for the soft oxide ore and 0.25g/t gold for the remaining oxide ore.

The waste to ore strip ratio for the above Ore Reserve is estimated to be 2.2 to 1.0.

The reserve and resource estimate methodology, including a summary of relevant assessment and reporting criteria is available in the Reserves and Resources section of www.sinogold.com.au.

Geological Setting

Gold mineralisation at Beyinhar is:

- hosted in the Beyinhar Shear Zone in Proterozoic metasediments and Cretaceous rhyolite;
- controlled by the interplay of primary metamorphic fabric, the massive rhyolite and granodiorite abutting the metasediments and the Beyinhar Shear Zone, faulting along the Beyinhar shear and oxidation controlled by meteoric waters;
- known to extend over a strike length of approximately 2.2km and to a maximum depth of 200m.

The bulk of the deposit occurs in a well-developed oxide zone, which extends in some areas down to 125m vertical depth. Only limited drilling has intersected the sulphide mineralisation identified below the oxide resource. High-grade gold mineralisation occurs in epithermal quartz veins, apparently related to the sub-volcanic rhyolite intrusion.

Silver is known to be associated with gold mineralisation at Beyinhar but samples have not been routinely analyzed for silver.

Gold mineralisation at Beyinhar remains open along strike in both directions (northeast and southwest) and at depth.

Beyinhar Outlook

The aim of the planned 2008 exploration program is to extend and upgrade both the oxide and sulphide resources. This program is planned to commence in late March 2008 and primarily comprise soil geochemistry, ground electrical geophysics (Induced Polarisation) and drilling.

Drilling will test for extensions to the oxide resource, which remains open along the southwest-northeast striking Beyinhar Shear Zone.

Sulphide mineralisation below the oxide zone has been tested by very limited drilling to date. An extensive diamond drilling program will be aimed at defining high-grade gold mineralisation in the sulphide zone.

Studies and permitting are being progressed in order to enable the Sino Gold Board to approve development of a 2.5Mtpa heap-leach operation in the second half of 2008.

Competent Persons

These Mineral Resources and Ore Reserves are presented in accordance with the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"), which is equivalent under the corresponding categories of mineral reserves and mineral resources to Canada's National Instrument 43-101 – Standards for Disclosure for Mineral Projects ("NI43-101") and CIM Standards.

The information relating to the Mineral Resources estimate was compiled by geologists employed by Golden China, including, Mr Alfonso Latorre (MAusIMM) and Mr Tom Zhu. Sino Gold employees Mr Phillip Uttley (FAusIMM) and Dr Stuart Munroe (MAusIMM) assisted in the re-categorisation of the Mineral Resources.

The information herein relating to the Mineral Resources estimate is provided by Mr Mario Rossi (FAusIMM), who takes responsibility for its content. Mr Rossi is an independent consultant geostatistician and mining engineer from the international consulting firm Geo Systems International. He has over 19 years relevant experience in exploration and evaluation of various styles of gold deposits.

The information herein relating to the Ore Reserves estimate is provided by Mr Steve Craig (MAusIMM), who takes responsibility for its content. Mr Craig is an independent consultant with Orelogy and has over 20 years relevant experience in evaluation of gold deposits.

Mr Rossi and Mr Craig are both Competent Persons as defined in the JORC Code and "qualified persons" under NI43-101. They consent to the inclusion in this report of the information in the form and context in which it appears.

About Beyinhar

The Beyinhar Project is located approximately 500km northwest of Beijing in the Inner Mongolia Autonomous Region, People's Republic of China.

Beyinhar is approximately 3km from a regional highway and close to grid power. The gently rolling grasslands of the project area receive very little rainfall with fairly hot summers and cold, windy winters.

The 15km² Beyinhar Joint Venture area is 95% owned by Sino Gold and an adjacent 33km² Exploration Licence to the southwest is 100% owned by Sino Gold.

Golden China commenced exploration work at Beyinhar in late 2003 and carried out geological mapping, rock sampling, soil geochemical surveys, geophysical surveys and drilling.

Sino Gold aims to commence development of a heap-leach, open-pit mining operation at Beyinhar in the second half of 2008.

For further information regarding Sino Gold please contact:

Investor Enquiries: Jake Klein, CEO or Roger Howe, Investor Relations
+61 2 8259 7000, info@sinogold.com.au

Media Enquiries: Kate Kerrison
+61 2 6746 3221, kate@katekerrison.com.au

Cautionary Statement on Forward Looking Information

Certain statements contained in this news release constitute forward-looking information within the meaning of securities laws. The words "expect", "will", "intend", "estimate" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management of Sino Gold are inherently subject to significant business, economic and competitive uncertainties and contingencies. Sino Gold cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Sino Gold to be materially different from their respective estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to: changes in the worldwide price of gold or certain other commodities (such as fuel and electricity) and other currencies; changes in U.S. dollar interest rates or gold lease rates; risks arising from holding derivative instruments; legislative, political or economic developments in the jurisdictions in which Sino Gold carries on business; operating or technical difficulties in connection with mining or development activities; employee relations; availability and increasing costs associated with mining inputs and labour; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves, adverse changes in our credit rating, contests over title to properties, particularly title to undeveloped properties; and the risks involved in the exploration, development and mining business. These factors are discussed in greater detail in statutory releases filed with the applicable securities regulatory authorities.