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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))*

29 Jan 2009

DECEMBER 2008 QUARTERLY REPORT

Sino Gold is pleased to provide an update on the Company's activities in the attached announcement titled "December 2008 Quarterly Report".

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 directors:

Mr. Thomas David McKeith

Mr. Liangang Li

Independent non-executive directors:

Mr. James Edward Askew

Mr. Peter William Cassidy

Mr. Brian Henry Davidson

Mr. Peter John Housden

** for identification purposes only*



KEY POINTS

Jinfeng

- **Quarterly gold production increased 21% to a record 46,290 ounces of gold and cash costs decreased to US\$375/ounce.**
- Annual gold production **increased 165% to 150,928 ounces at a cash cost of US\$400/ounce.**
- Mill throughput **increased 21% to 366,786 tonnes** for the quarter.

White Mountain

- First gold was poured two months ahead of schedule in October 2008.
- Commissioning proceeded well and gold production for the quarter totalled 2,617 ounces.
- **White Mountain achieved commercial gold production ahead of schedule on 1 January 2009.**

BioGold

- The BioGold processing facility produced 10,442 gold-equivalent ounces for the quarter.

Eastern Dragon

- Initial **Eastern Dragon Mineral Resource** of 3.4 million tonnes at **7.1g/t gold and 66g/t silver**, containing **0.8 million ounces gold** and 7.2 million ounces silver.
- Initial **Eastern Dragon Ore Reserve** of 2.0 million tonnes at **8.4g/t gold and 70g/t silver**, containing **0.5 million ounces gold** and 4.4 million ounces silver.
- Chinese Feasibility Study by a Beijing design institute was completed and permitting **progressed towards enabling development to potentially commence in late 2009.**
- Initial **25% interest acquired in the 53 km² Exploration Licence** surrounding the Eastern Dragon Lode 5.

Beyinhar

- Updated **Beyinhar Ore Reserve** of 27.8 million tonnes at 0.62g/t gold, containing **0.6 million ounces.**
- The Beyinhar Feasibility Review indicates that the project is an attractive investment at current gold prices.
- Developing Eastern Dragon has been prioritised ahead of developing Beyinhar.

Corporate

- **2009 gold production for Jinfeng and White Mountain is planned to total 210,000 to 230,000 ounces at <US\$400/ounce cash cost, a substantial increase in gold production over 2008.**
- Sino Gold has agreed to sell its interest in the Nibao Project for US\$10 million.
- Up to US\$90 million (A\$106 million) asset write-downs including goodwill and listed investments anticipated in 2008 financial statements, predominantly relating to the Golden China acquisition.
- Sino Gold received the **Miner of the Year Award** from Australia's Gold Mining Journal and White Mountain received the **Development of the Year Award** at the China Mining Congress in Beijing.
- **No hedging and US\$49 million cash** available at quarter end.

SAFETY & ENVIRONMENT

In early December, an employee of our underground mining contractor was fatally injured at the White Mountain Mine. The underground mine was closed for three days while investigations were undertaken.

One lost time injury occurred at the Company's projects during the quarter. The Company's LTIFR for the 2008 year is 1.06.

No reportable environmental incidents occurred during the quarter.

Sino Gold set up two partnerships during the quarter that are complementary to the Company's existing environment and community programs:

- The **Guizhou Environmental Management for Sustainable Development Leadership Project** is a partnership between the Research Institute for Asia and the Pacific at the University of Sydney, Sino Gold Mining Limited and the Guizhou Provincial Environmental Protection Authority. The five-year project comprises five 13-day training programs that are to be conducted in Guizhou Province, China and Sydney, Australia. It is envisaged that more than 125 Guizhou government officers will participate in the program.
- Sino Gold's Jinfeng Mine and the Zhenfeng County Government, Guizhou Province have signed a **Sustainable Community Development Cooperation Agreement** for a three-phase sustainable community development program over the next ten years. This initiative is aimed at helping the three administrative villages (Lannigou, Jinshan and Niluo) near the Jinfeng Mine realise sustainable social and economic development, and create an effective, sustainable model for the Chinese mining sector. Projects will include education, health and sanitation, environment, and agriculture production, as well as capacity building for community-based organizations and farmers. Facilitated by the newly established Community Development Department at Jinfeng, the first such department for mining companies in China, a number of cooperative projects commenced during the quarter.

OPERATIONS - JINFENG MINE (82% EQUITY)

Sino Gold's flagship **Jinfeng Mine produced 150,928 ounces of gold during 2008, a 165% increase** over 2007 gold production of 56,981 ounces.

Jinfeng Mine Operating Performance		March 2008 Quarter	June 2008 Quarter	September 2008 Quarter	December 2008 Quarter	2008 Calendar Year
Waste Mined	bcm ('000)	2,022	2,424	2,326	2,903	9,675
Ore Mined	Tonnes ('000)	209	356	376	451	1,392
Ore Milled	Tonnes ('000)	283	290	304	367	1,244
Head Grade	g/t gold	4.6	4.6	4.7	4.8	4.7
Flotation Recovery	%	81.2	88.6	88.3	86.8	86.3
BIOX [®] /CIL Recovery	%	92.0	92.5	95.1	95.1	93.8
Overall Recovery	%	74.7	81.9	84.0	82.5	81.0
Gold Production	Ounces	30,976	35,412	38,250	46,290	150,928
Gold Sold	Ounces	32,007	38,525	37,958	44,413	152,903

Note: Ore stockpiles totalled 467,000 tonnes at 31 December 2008.

December Quarter gold production was very strong **with a record 46,290 ounces produced, a 21% increase over the previous quarter**. Gold production was consistent over the whole quarter with more than 15,000 ounces being produced each month.

Cash operating costs improved to US\$375/ounce for the quarter and US\$400/ounce for the year. The table below provides a breakdown of Jinfeng costs in line with gold industry standards.

Jinfeng Mine Unit Costs (US\$/oz)	March 2008 Quarter	June 2008 Quarter	September 2008 Quarter	December 2008 Quarter	2008 Calendar Year
Cash operating cost	429	405	402	375	400
Royalties, production taxes & refining	48	42	42	37	42
Total cash cost	477	447	444	412	442
Depreciation, amortisation & rehab	83	78	80	81	81
Total production cost	560	525	524	493	522

Tonnes milled increased 21% to 367,000 tonnes for the quarter with plant availability of 96% and additional crushing capacity increasing throughput to an average of 173 tonnes per hour for the quarter. Overall gold recoveries of 82.5% were consistent with expectation given the increased throughput for the quarter. Excellent productivity in the open pit enabled quarterly mining records of 2.9 million BCMs of waste and 451,000 tonnes of ore to be achieved.

Development of the underground mine continued and the advance rate increased to 1,862m for the quarter and totalled 6,208m to December 2008. Development ore is being mined on the 490RL level and development of the decline had advanced down to 330RL by the end of December. A third production level will be established on the 370RL level and ore production from the underground mine is planned to ramp-up to a total of 400,000 tonnes for 2009.

The completion of a second power line to Jinfeng from Ceheng during the quarter provides an alternative source of electricity supply if the existing power line from Zhenfeng (Mingu) is not available.

Jinfeng Outlook

Production in the first quarter is anticipated to be less than the record December quarter as the head grade is scheduled to be lower.

The underground mine is planned to contribute an increasing proportion of mill feed over the course of 2009, providing a total of 400,000 tonnes of ore for the year.

OPERATIONS - WHITE MOUNTAIN (95% EQUITY)

Construction of the White Mountain processing plant has been completed and to mark this milestone White Mountain's official opening ceremony was held on 9 November 2008. Sino Gold was honoured by the attendance at the ceremony of the Australian Ambassador to China, Dr Geoff Raby, as well as a number of senior Chinese local and provincial government officials.

White Mountain's initial gold pour took place on 25 October 2008, approximately two months ahead of schedule and only fourteen months after construction commenced.

Commissioning of the White Mountain processing plant, which has taken place in temperatures down to minus 25 degrees Celsius, is progressing well and White Mountain was deemed to have **achieved commercial gold production on 1 January 2009.**

Gold production for the quarter totalled 2,617 ounces. Overall gold recoveries of 82% were better than expected during this commissioning period.

The tailings pipeline, tailings filter plant and extremely cold weather all presented commissioning challenges. Mill throughput increased to 23,220 tonnes for the month of December, which was ahead of expectations at approximately 43% of nameplate capacity for the month.

Development of the underground mine continued during the quarter and ore continued to be accessed in the central and southern portions of the orebody. The project-to-date development advance totalled 5,304m to the end of December, including 1,638m during the December quarter.

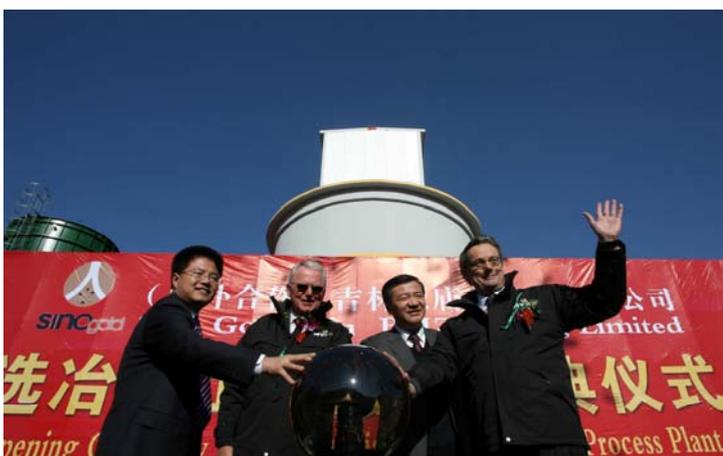
Project development costs capitalised to 31 December 2008 totalled US\$65.1 million, including US\$5.1 million in unfavourable exchange rate movements against the costs incurred in Renminbi. Additional commissioning costs totalling US\$3.6 million have also been incurred.

White Mountain Outlook

The project **achieved commercial gold production ahead of schedule** and production is expected to ramp up over the course of 2009.



Panorama of processing facility



Opening Ceremony



New village built by Sino Gold

OPERATIONS - BIOGOLD PROCESSING FACILITY

The BioGold Facility purchases gold concentrates and produces refined gold. The facility is located in Shandong Province, which is China's largest gold producing province.

BioGold Operating Performance		March 2008 Quarter	June 2008 Quarter	Sep 2008 Quarter	Dec 2008 Quarter	2008 Calendar Year
CIL Circuit – Concentrate Processed	Tonnes	3,742	5,024	1,530	462	10,758
BacOx Circuit – Concentrate Processed	Tonnes	4,597	3,355	3,826	6,257	18,035
Refinery – Gold Sold	Ounces	13,793	8,359	6,944	9,581	38,677
Refinery – Gold Equivalent* Sold	Ounces	18,648	11,127	7,848	10,442	48,065

* The calculation of gold equivalent ounces is total revenue (ie: gold + silver + base metals revenue) divided by the gold price realised for the period.

For the quarter, the BioGold Facility produced 10,442 gold-equivalent ounces at a breakeven net tolling profit margin.

The CIL circuit throughput was limited during the quarter by the lack of concentrate available to be purchased on reasonable terms.

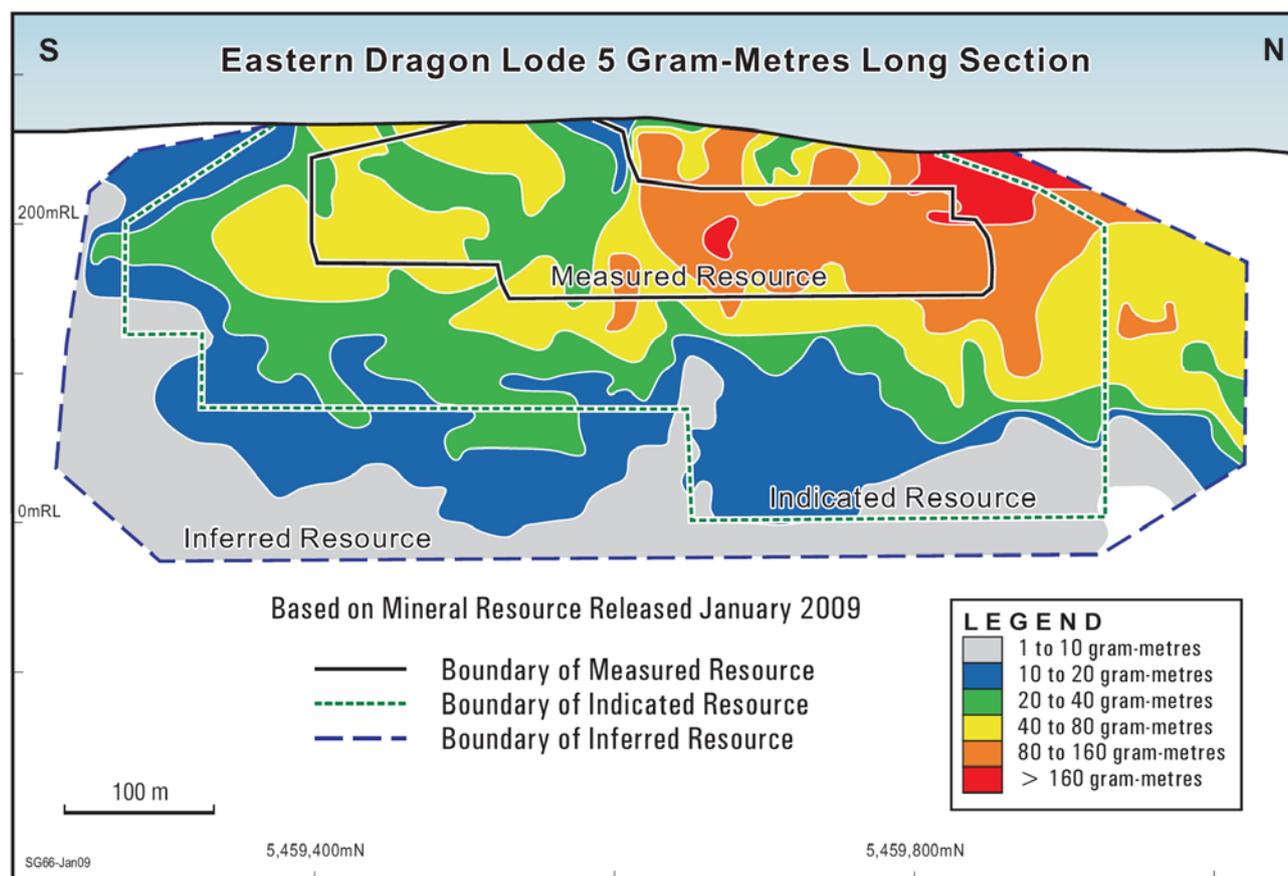
Fluctuating levels of bacterial activity restricted the BacOx circuit throughput during the quarter, primarily due to the onset of winter weather and power stoppages.

FEASIBILITY - EASTERN DRAGON (80% EQUITY)

Eastern Dragon Lode 5 is a high-grade, gold-silver deposit located in northern China's Heilongjiang Province and is being prioritised to become **Sino Gold's third operating mine**. The work to date has confirmed that the deposit has excellent potential to produce gold at very low cost by developing a combined open-pit and underground mining operation.

During 2008, Sino Gold completed a total of 56 drill holes totalling 12.8km of drilling at Eastern Dragon. Five drillholes have intercepted a second vein (named Lode 5-1) containing similar high grade gold-silver mineralisation which is parallel to the southern end of the main Lode 5.

The long section below summarises the mineralisation contained within Lode 5.



As detailed in a separate announcement released today, initial Mineral Resource and Ore Reserve estimates for the Eastern Dragon gold deposit are summarised in the tables below:

Eastern Dragon Mineral Resource

Mineral Resource Category	Tonnes ('000)	Gold Grade (g/t Au)	Gold Ounces ('000)	Silver Grade (g/t Ag)	Silver Ounces (millions)
Measured	612	11.2	220	83	1.6
Indicated	1,556	7.2	361	73	3.7
Measured & Indicated	2,168	8.3	581	76	5.3
Inferred	1,218	5.0	196	50	1.9
Total	3,386	7.1	777	66	7.2

Nearly all of the resource is contained within Lode 5 with only 87,000 ounces contained in other veins, primarily Lode 5-1. The resource extends over a strike length of 800m and from surface to a maximum depth of 300m. The average true width of Lode 5 is approximately 6m.

Eastern Dragon Ore Reserve

Ore Reserve Category	Tonnes ('000)	Gold Grade (g/t Au)	Gold Ounces ('000)	Silver Grade (g/t Ag)	Silver Ounces ('000)
Open Pit - Proved	203	10.3	68	53	0.3
Open Pit - Probable	181	12.8	74	82	0.5
Open Pit - Total	384	11.5	142	67	0.8
Underground - Proved	448	9.6	138	82	1.2
Underground - Probable	1,131	6.8	247	66	2.4
Underground - Total	1,579	7.6	385	70	3.6
Total - Proved	651	9.8	206	72	1.5
Total - Probable	1,312	7.6	321	69	2.9
Grand Total	1,963	8.4	527	70	4.4

Note: Cut-off grades - 1.5g/t gold for open pit and 2.5g/t gold for underground Ore Reserves.

The Company is planning another substantial drilling program for the 2009 field season with the aim of extending and upgrading resources and reserves.

Project Development

A Beijing design institute has recently completed the Chinese Feasibility Study ("CFS"), which is a key document required to progress permitting for the Eastern Dragon project.

In parallel with obtaining relevant approvals from the Chinese authorities, engineering design work for the project is progressing.

The CFS indicates that Eastern Dragon is potentially a simple operation comprising:

- Open-pit mining to approximately 60m below surface with an underground mine below using the benching mining method;
- Staged construction of a carbon-in-leach ("CIL") processing plant with overall recoveries of approximately 95% for gold and approximately 80% for silver;
- Plant initially treating 150,000 tonnes per annum of open-pit ore (reserve grade = 11.5g/t gold);
- Plant will be built with expansion capacity to 500,000 tonnes per annum for potential further delineation of reserves and ore production from the underground mine being ramped up;
- Cash operating costs of approximately US\$100 per ounce (after silver credits)
- Total development capital cost of approximately US\$60 million; and
- Construction period of approximately 15 months.

The CFS is currently being reviewed to determine which aspects of the project need to be evaluated further in order to enable Sino Gold's Board of Directors to commit to developing this technically straight-forward and low-cost project.

Acquisition of Exploration Licence

Sino Gold has also **acquired an initial 25% interest in the 53 km² Exploration Licence surrounding the Eastern Dragon Lode 5** Exploration Licence, as well as a pre-emptive right over a further 26% interest, held by the same joint venture partner at Eastern Dragon. A prepayment was made with the final price being subject to adjustment by an independent valuer and all government approvals being in place.

Eastern Dragon Lode 5 is a high-grade, low-sulphidation epithermal gold-silver vein deposit. This style of mineralisation tends to form clusters of similar deposits and thus the surrounding area is

considered highly prospective. A number of similar quartz-vein prospects containing anomalous gold have been identified in the surrounding 53 km² Exploration Licence area which will be initially targeted.

Outlook

Sino Gold aims to bring Eastern Dragon into production as quickly as possible to become the Company's third operating mine.

Sino Gold has set an ambitious schedule to bring Eastern Dragon into production. Development of Eastern Dragon may commence in late 2009 if feasibility and design work continues on schedule and provided required approvals are received expeditiously. This potential early start to development is driven by commencing development works at site prior to the onset of next winter, similar to the timing achieved for the White Mountain Mine development. If this ambitious schedule is not met, then commencement of development would be delayed to April 2010.

FEASIBILITY - BEYINHAR (95% EQUITY)

Beyinhar's 2008 drilling program comprised:

- 17km of diamond drilling in 93 holes (upon which the resource estimates below are based); and
- 3km of reverse circulation (RC) drilling in 30 holes (not yet included in resource estimate).

The updated Mineral Resource estimate for the Beyinhar gold deposit **totals 69.2 million tonnes at 0.55g/t gold, containing 1.2 million ounces.**

Beyinhar Mineral Resource

Mineral Resource Category	January 2009			Change (%)	March 2008		
	Tonnes (millions)	Grade (g/t Au)	Ounces ('000)		Tonnes (millions)	Grade (g/t Au)	Ounces ('000)
Oxide							
	0.2g/t cut-off				0.2g/t cut-off		
Measured	7.8	0.82	205	+486%	1.0	1.06	35
Indicated	44.9	0.42	605	+10%	28.0	0.61	552
Subtotal M+I	52.7	0.48	809	+38%	29.0	0.63	587
Inferred	1.7	0.54	30	-57%	4.6	0.47	69
Total	54.4	0.48	840	+28%	33.7	0.61	656
Sulphide							
	0.5g/t cut-off				0.2g/t cut-off		
Indicated	9.0	0.84	244	NA	0	0	0
Inferred	5.8	0.82	152	-58%	17.3	0.65	360
Total	14.8	0.83	395	+10%	17.3	0.65	360
Oxide + Sulphide							
Measured	7.8	0.82	205	+486%	1.0	1.06	35
Indicated	53.9	0.49	848	+54%	28.0	0.61	552
Subtotal M+I	61.7	0.53	1,053	+79%	29.0	0.63	587
Inferred	7.5	0.75	182	-71%	21.9	0.61	429
Grand Total	69.2	0.55	1,235	+22%	51.0	0.62	1,016

Note: Mineral Resources are inclusive of Ore Reserves.

Measured and Indicated Resources comprise 85% of contained ounces within the total Mineral Resource.

The aim of the recently completed RC drilling program is to improve confidence in the grade based on closer-spaced, larger-diameter drilling and an assay analysis method that more accurately reflects the proposed heap-leach processing method. The RC drilling program in-filled a 350m by

250m block of the oxide resource at 25m spacing. The samples are being analysed by the cyanide bottle roll (or 'BLEG') method for comparison to the previously used fire assay method. This should increase confidence in grade distribution from the previous 50m drill spacing and enable a portion of the resource to be upgraded to the Measured category. Final results are expected in next few weeks, but preliminary results are encouraging and will be included in future resource estimates.

The updated Beyinhar Ore Reserve estimate **totals 27.8 million tonnes at 0.62g/t gold, containing 0.6 million ounces.**

Beyinhar Ore Reserve

Ore Reserve Category	January 2009			Change In Ozs	March 2008		
	Tonnes (millions)	Grade (g/t Au)	Ounces ('000)		Tonnes (millions)	Grade (g/t Au)	Ounces ('000)
Proved	7.1	0.83	191	+446%	1.0	1.07	35
Probable	20.7	0.55	367	-21%	20.4	0.71	464
Total	27.8	0.62	558	+12%	21.4	0.72	499

Notes: Both estimates based on US\$650/ounce gold price. Cut-off grades used for the January 2009 Ore Reserve estimate range from 0.28g/t gold for soft oxide ore to 0.66g/t gold for hard sulphide ore, compared with 0.22g/t to 0.25g/t gold in the previous estimate.

The Ore Reserve is now generated from two separate open pits. The waste-to-ore **strip ratio is now 1.0 to 1.0**, significantly less than the previous 2.0 to 1.0 strip ratio. Oxide ore comprises 95% of the Ore Reserve, with the remainder being harder sulphide ore.

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

Beyinhar Project Development

The Board Feasibility Review ("BFR") indicates an attractive investment proposition based on the following parameters:

- 3.0 million tonne per annum, heap-leach operation;
- Overall gold recoveries of 85%;
- Average cash operating cost of US\$450/ounce;
- Total development capital costs of US\$65 million, including significant land compensation fees which are yet to be finalised; and
- Construction period of approximately 12 months.

Whilst the BFR indicates an attractive investment, Sino Gold intends to prioritise the development of the more attractive Eastern Dragon Project ahead of the Beyinhar Project.

EXPLORATION - GOLDEN TRIANGLE

Guangxi Joint Venture (earning 70% equity)

Drilling at the Yandan Prospect was completed during the quarter with a further three drillholes intercepting only relatively low-grade gold mineralisation.

Yandan is at the western end of a 15km-long target zone that also includes small oxide gold mines and several prospects of interest to the east. These prospects are situated on the same major structural corridor extending 50km southeast from Jinfeng, and in a similar geological setting to Jinfeng. Drilling is planned for several strong soil geochemical and geophysical anomalies at the Longfeng, Chuandong and Daping Prospects.

EXPLORATION - SINO GOLD FIELDS ALLIANCE (50% EQUITY)

The Sino Gold Fields Alliance continues to evaluate opportunities for large-scale, bulk-mineable gold deposits in China with a focus on four priority mineral belts. Several opportunities are being progressed towards possible acquisition.

In Yunnan Province, initial drilling at the Jinshu (formerly Bengge) Project has confirmed the geological model of intrusion-related style gold mineralisation within a large (6km²) area of coincident geochemical and geophysical anomalies associated with hydrothermally altered syenite intrusions. An initial 11-hole diamond drilling program totalling 2,277m was completed during 2008.

Several zones of narrow high-grade gold mineralisation hosted by altered syenite were discovered within a wide, low-grade mineralised envelope. The best intersections were from drillholes:

- SGB003 - **12m at 7.3g/t gold** from 45m (including 2m at 19.1g/t gold from 50m and 1m at 40.4g/t gold from 55m);
- SGB004 with **13m at 33.5g/t gold** from 61m (including 1m at 430.0g/t gold from 62m); and
- SGB005 with **3m at 4.4g/t gold** from 60m and **16m at 1.2g/t gold** from 69m.

These very encouraging results are being interpreted over the winter months.

CORPORATE

Awards

Sino Gold received the Miner of the Year Award for 2008 from Australia's Gold Mining Journal, providing recognition of Jinfeng's performance and the rapid development of White Mountain.

On 12 November 2008, White Mountain received the prestigious Development of the Year Award at the China Mining Congress, China's largest international mining conference.

Production Guidance for 2009

Following completion of the annual budgeting and planning process, the combined 2009 gold production from the Jinfeng and White Mountain Mines is planned to be in the range of 210,000 to 230,000 ounces of gold at a cash operating cost of less than US\$400/ounce, a substantial increase in gold production over 2008.

Sale of Nibao

As the Nibao project in Guizhou Province was considered unlikely to meet the Company's investment criteria, Sino Gold has sold its interest in the project for US\$10M. An initial payment of US\$0.7 million was received in December 2008 and the remainder is due in two instalments over the next six months.

2008 Full-Year Financial Results

Sino Gold's full-year financial results are planned to be released on Tuesday 24 February 2009.

Sino Gold acquired Golden China Resources Corporation via an all-scrip takeover in late 2007. The carrying value of the acquisition on Sino Gold's Balance Sheet was US\$134 million as at 31 December 2008, a significant portion of which was attributed to goodwill. Changed market valuations since the acquisition was made will necessitate a large portion of the Golden China carrying value to be written off in the 2008 Financial Statements. In addition, Sino Gold's listed investments are likely to be written down to current market value.

The write down may total up to US\$90 million (A\$106 million at A\$1.00 = US\$0.85 exchange rate). This estimate is preliminary in nature and subject to finalisation within Sino Gold as well as to be reviewed by the Company's external auditors. The write down is likely to result in the Company reporting a substantial loss after tax. However, the Company is strongly profitable prior to non-cash charges such as write-downs, amortisation of hedge book close-out and share based payments.

Mr Ed Miu has recently joined Sino Gold as Chief Financial Officer and he has more than 30 years of relevant experience working with multi-national companies in Asia, Europe and North America.

Cash and Hedging Position

At 31 December 2008, the Company had net available cash of US\$49 million.

Sino Gold's gearing remains very low and the Company continues to evaluate how to optimise the structuring of its financing.

The price realised for Jinfeng's gold sales during the quarter averaged US\$809 per ounce. Sino Gold does not have any hedging contracts relating to future gold sales, interest rates or foreign exchange transactions.

Exploration Expenditure

Exploration expenditure incurred by the Company during the quarter totalled US\$6.1 million.

Project (US\$ millions)	March 2008 Quarter	June 2008 Quarter	September 2008 Quarter	December 2008 Quarter	2008 Calendar Year
Jinfeng Mine	1.5	0.5	0.2	0.2	2.3
Golden Triangle	1.1	0.8	1.1	0.8	3.8
White Mountain	0.3	0.6	0.9	0.8	2.7
Other	1.3	3.3	1.6	4.3	10.5
Total exploration expenditure	4.2	5.2	3.8	6.1	19.3

CORPORATE DIRECTORY

Board of Directors

Jim Askew	Chairman
Jake Klein	CEO
Xu Hanjing	Executive Director
Peter Cassidy	Non-Executive Director
Brian Davidson	Non-Executive Director
Peter Housden	Non-Executive Director
Li Liangang	Non-Executive Director
Tommy McKeith	Non-Executive Director

Company Secretary

Ivo Polovineo

Competent Person

Mr Phillip Uttley (FAusIMM), who is Sino Gold's Chief Geologist, takes responsibility for the information in this report which relates to Exploration Results and Mineral Resources except where noted otherwise herein. He has sufficient experience in relation to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code 2004 Edition). Mr Uttley has consented to inclusion of this information in the form and context in which it appears.

Capital Structure

Sino Gold is listed on the Australian Stock Exchange (ASX Code: SGX) and The Stock Exchange of Hong Kong (SEHK Code: 1862).

As at 28 January 2009, the Company has 291,686,627 ordinary shares on issue and a total of 13,062,420 unlisted options and warrants on issue.

Quarterly Share Price

	High	Low	Close
Sep 2007 Qtr	\$7.65	\$4.55	\$7.52
Dec 2007 Qtr	\$8.20	\$6.01	\$6.95
Mar 2008 Qtr	\$8.87	\$6.41	\$7.47
June 2008 Qtr	\$7.59	\$3.92	\$5.83
Sep 2008 Qtr	\$6.30	\$2.95	\$4.18
Dec 2008 Qtr	\$5.24	\$2.37	\$5.00

Registered Office

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Phone +61 2 9290 9600
Fax +61 2 9279 0664
www.registriesltd.com.au

Computershare Hong Kong Investor Services Limited
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183 Queen's Road East
Wanchai Hong Kong
Phone: +852 2862 8555
Website: www.computershare.com

Please direct enquiries regarding your shareholding to the relevant share registry.

ABOUT SINO GOLD

Sino Gold Mining Limited

ABN: 42 093 518 579

ASX Code: SGX

SEHK Code: 1862

Included in S&P/ASX 200 Index

Sino Gold is the leading international gold exploration and mining company in China.

The 82%-owned **Jinfeng** Gold Mine in southern China's Guizhou Province has Ore Reserves containing 3.5 million ounces at an average grade of 5.2g/t gold.

Jinfeng is now the second largest gold mine in China with 2008 gold production of 151,000 ounces. Jinfeng's gold production is planned to increase as the processing plant is de-bottlenecked and as higher-grade

ore from the underground mine supplements ore from the open pit.

The 95%-owned **White Mountain** Gold Mine in northeast China's Jilin Province has Ore Reserves containing 0.8 million ounces at an average grade of 3.8g/t gold.

White Mountain commenced commercial gold production in January 2009. Upon reaching design production rates, White Mountain will produce an average of 65,000 ounces of gold annually.

The **Eastern Dragon** Project in northern China has excellent potential to produce very low-cost gold and is being rapidly progressed towards becoming Sino Gold's third mine.

Sino Gold is listed on the Australian Stock Exchange (ASX Code:SGX) and The Stock Exchange of Hong Kong (SEHK Code:1862).

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APPENDIX – NOTES FOR RESOURCES & RESERVES

Notes applicable to the Mineral Resources and Ore Reserves:

1. Mineral Resources are inclusive of Ore Reserves.
2. Details of the methodologies used to estimate Mineral Resources and Ore Reserves are available under the Projects section of the Sino Gold website (www.sinogold.com.au).

	Gold Price Basis (US\$/oz)	Cut-off Grade (g/t gold)	Competent Person
Mineral Resources			
Eastern Dragon		1.0	1, 2
Beyinhar		0.2/0.5	3
Ore Reserves			
Eastern Dragon	US\$650/oz	1.5/2.5	4
Beyinhar	US\$650/oz	0.22/0.25	5

Competent Persons

The following individuals take responsibility for the Mineral Resources and Ore Reserves estimates as noted in the table above:

1. Dr Yumin Qiu (MAIG) is a full-time employee of Sino Gold in the capacity of General Manager, China Exploration and JVC. He is a geologist with more than 25 years experience in the mining industry in Australia and China.
2. Mr Robin Simpson (MAIG) is an independent consultant with SRK Consulting and is a geologist with more than 10 years relevant experience in the evaluation of gold deposits.
3. Mr Phillip Uttley (FAusIMM) is a full-time employee of Sino Gold in the capacity of Chief Geologist. He is a geologist with more than 27 years relevant experience in exploration and evaluation of gold deposits.
4. Dr John Chen (MAusIMM) is a full-time employee of Sino Gold in the capacity of Manager – Mining, Technical Services. He is a mining engineer with more than 20 years experience in the mining industry in Australia and China.
5. Mr Steve Craig (MAusIMM) is an independent consultant with Orelogy and is a mining engineer with more than 20 years relevant experience in evaluation of gold deposits.

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.

Each of the above individuals:

- have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration;
- are Competent Persons as defined in the JORC Code and “qualified persons” under NI43-101; and
- consents to the publication of this information in the form and context in which it appears.