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**sino**gold

**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))*

21 Apr 2009

### **MARCH 2009 QUARTERLY REPORT**

Sino Gold is pleased to provide an update on the Company's activities in the attached announcement titled "MARCH 2009 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*



## MARCH 2009 QUARTERLY REPORT

### KEY POINTS

Operations Summary March 2009 Quarter	Jinfeng	White Mountain	Total	Attributable
Gold Production (ounces)	42,342	8,800	51,142	43,080
Cash Operating Cost (US\$/ounce)	380	514	403	406

#### Sino Gold Group

- Sino Gold's operations produced a record **51,142 ounces of gold** at a **cash operating cost of US\$403/ounce**.
- As at 31 December 2008, Sino Gold's attributable **Mineral Resources totaled 7.1 million ounces of gold and Ore Reserves totaled 4.4 million ounces of gold**.

#### Jinfeng

- Better than planned quarterly gold production of **42,342 ounces at a cash operating cost of US\$380/ounce**.
- Further expansion to mill throughput of at least 10% to be trialed in June Quarter.
- Mine optimisation studies show potential to increase Jinfeng's gold production over next five years.

#### White Mountain

- First quarter of commercial gold production achieved **8,800 ounces at cash operating cost of US\$514/ounce**.
- Commissioning and ramp up of the processing plant proceeded well during the winter months.
- Ore mined from the underground mine is ramping up and was 79,000 tonnes for the quarter.

#### Eastern Dragon

- **Sino Gold's Board of Directors has approved the US\$65 million development of Eastern Dragon - the Company's third mine.**
- Eastern Dragon is scheduled to produce approximately **90,000 ounces of gold annually from Lode 5 at a cash operating cost of US\$125/ounce** for the first five years of operation from 2011.
- Sino Gold's ownership of Eastern Dragon Lode 5 and the surrounding Exploration Licence increased to 95% and 60%, respectively.

#### Beyinhar

- Analysis of an infill RC drilling program results indicate that grades in the test area of the Mineral Resource are likely to be conservative.
- Further work on Beyinhar's grade, metallurgy and permitting is being progressed.

#### Corporate

- China Construction Bank provided a **Renminbi-denominated loan facility totaling RMB780 (A\$176) million** for the Jinfeng Gold Mine.
- The BioGold Processing Facility was sold for RMB10 million.
- At quarter end, undrawn loan facilities totaled RMB550 (US\$81) million and net available **cash was US\$21 million**. Sino Gold does not have any gold hedging contracts.

## SAFETY & ENVIRONMENT

No lost time injuries and no reportable environmental incidents occurred at any of the Company's project sites during the quarter.

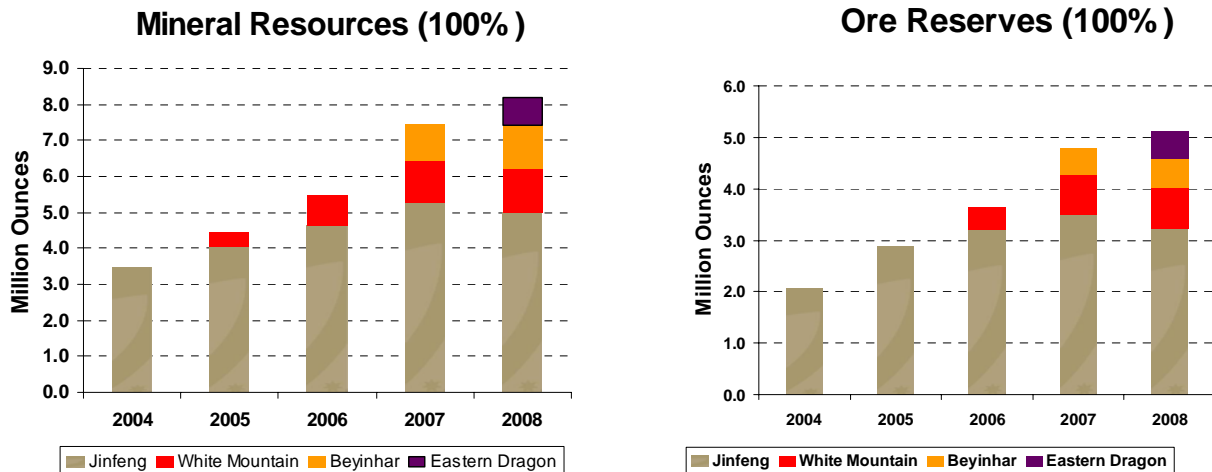
## RESOURCE & RESERVE ESTIMATES

Sino Gold released Mineral Resource and Ore Reserve estimates for Eastern Dragon and Beyinhar in January 2009.

The Appendix to this report also provides updated Mineral Resource and Ore Reserve estimates for Jinfeng and White Mountain. The approach taken for these estimates was to deplete the previous estimates for tonnes mined during 2008.

Sino Gold now controls Mineral Resources totalling of 8.2 million ounces of gold and Ore Reserves totalling 5.1 million ounces of gold, with attributable gold totalling 7.1 million ounces and 4.4 million ounces, respectively.

The charts below summarise the growth in Sino Gold's Mineral Resources and Ore Reserves since 2004.



## OPERATIONS - JINFENG MINE (82% EQUITY)

Jinfeng produced a total of 42,342 ounces of gold during the quarter, approximately 3,000 ounces more than scheduled.

Tonnes milled during the quarter were slightly less than the record achieved the previous quarter because a planned mill reline was brought forward to March. As anticipated, the head grade of 4.5g/t gold for the quarter reflects the mining of scheduled lower grade ore in the open pit. Overall gold recoveries were 82.4% for the quarter and work continues on improving flotation recoveries at increased throughput levels.

The focus for the underground mine is on development and the advance rate increased to 1,995m for the quarter. The decline had advanced down to the 310RL by the end of March, approximately 250 vertical metres below the portal.

Development ore is being mined on the 490RL, 430RL and the 370RL levels. A fourth production level is planned to be established on the 310RL level. Approximately 32,000 tonnes of ore were mined during the quarter from development drives.

Commissioning of the crushing system for the paste backfill plant has commenced and the project is on schedule to be fully operational by the September Quarter.

Jinfeng Mine Operating Performance		March 2008 Quarter	June 2008 Quarter	September 2008 Quarter	December 2008 Quarter	March 2009 Quarter
Waste Mined	bcm ('000)	2,022	2,424	2,326	2,903	2,532
Ore Mined – Open Pit	Tonnes ('000)	209	356	376	437	385
Ore Mined - UG	Tonnes ('000)	0	0	0	14	32
Ore Milled	Tonnes ('000)	283	290	304	367	356
Head Grade	g/t gold	4.6	4.6	4.7	4.8	4.5
Overall Recovery	%	74.7	81.9	84.0	82.5	82.4
Gold Production	Ounces	30,976	35,412	38,250	46,290	42,342
Gold Sold	Ounces	32,007	38,525	37,958	44,413	42,183

Note: Ore stockpiles totaled 527,000 tonnes at 31 March 2009.

Cash operating costs remained low at US\$380/ounce for the quarter despite the lower grade and four-day mill shutdown. This reflects the lower operating costs being achieved due to lower consumable costs and implementation of various cost saving measures on site. The table below provides a breakdown of Jinfeng unit costs in line with gold industry standards.

Jinfeng Mine Unit Costs (US\$/ounce)	March 2008 Quarter	June 2008 Quarter	September 2008 Quarter	December 2008 Quarter	March 2009 Quarter
<b>Cash operating cost</b>	<b>429</b>	<b>405</b>	<b>402</b>	<b>375</b>	<b>380</b>
Royalties, production taxes & refining	48	42	42	37	42
<b>Total cash cost</b>	<b>477</b>	<b>447</b>	<b>444</b>	<b>412</b>	<b>422</b>

### Jinfeng Optimisation and Expansion

Jinfeng has been at steady-state operations for several months and various optimisation and expansion options are now being evaluated.

Planned gold production may be significantly increased over the coming few years by:

- Bringing forward higher grade ore as indicated by detailed scheduling of specific mining blocks for the underground mine and sequencing with open-pit ore;
- Installing additional crushing capacity to significantly increase mill throughput from current level of 1.4 million tonnes per annum. Site management have identified the potential to increase near-term mill throughput by utilising spare capacity in the backfill plant crushing system as an additional crushing circuit for the processing plant. This will act as a trial to test the impact of upgrading the permanent crushing capacity. A decision is expected late in the June Quarter subject to obtaining any required approvals.

### Jinfeng Outlook

Jinfeng's gold production for the June Quarter is planned to be similar to the March Quarter. If the backfill crushing trial is successful, then there is the potential to lift throughput rates by up to 10% towards the end of the June Quarter.

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 with the majority planned for the second half of the year.

## OPERATIONS - WHITE MOUNTAIN (95% EQUITY)

Commissioning of the White Mountain processing plant continued to proceed well during the quarter, in spite of commissioning in extremely cold weather (temperatures down to minus 25 degrees Celsius).

White Mountain achieved commercial gold production ahead of schedule on 1 January 2009 and gold production for the quarter totaled 8,800 ounces.

White Mountain Mine Operating Performance		March 2009 Quarter
Ore Mined	Tonnes ('000)	79
Ore Milled	Tonnes ('000)	106
Head Grade	g/t gold	3.5
Overall Recovery	%	74.1
Gold Production	Ounces	8,800
Gold Sold	Ounces	6,714

Development of the underground mine continued during the quarter. Ore is being accessed in the central and southern portions of the orebody. Underground development advance continued to increase and totaled 1,853m for the quarter.

Stronger than modelled water flows have been encountered in some deeper areas in the underground mine. The operational, safety and environmental risks of these flows are being assessed. Development is therefore now focussed on the upper levels of the orebody whilst improved pumping capacity is installed.

A cash operating cost for the quarter of US\$514/ounce was achieved during this commissioning stage. Unit costs are planned to decrease as gold production ramps up.

White Mountain Mine Unit Costs (US\$/ounce)	March 2009 Quarter
Cash operating cost	514
Royalties, production taxes & refining	30
<b>Total cash cost</b>	<b>544</b>

### White Mountain Outlook

White Mountain's gold production for the June Quarter is planned to be similar to the March Quarter with a focus on underground mine development and access to stoping areas.

Ore mined is scheduled to be ramped up over the remainder of 2009, enabling gold production to reach the design rate of 65,000 ounces per annum by the December Quarter.

## DEVELOPMENT - EASTERN DRAGON (95% EQUITY)

Eastern Dragon Lode 5 is a high-grade, gold-silver deposit located in northern China's Heilongjiang Province. The development is not only technically straight-forward and will produce gold at very low cost but is also situated in a highly prospective area where there is excellent potential to increase the resource and reserve base.

As detailed in a separate announcement released today, Sino Gold's Board of Directors has approved development of the Eastern Dragon Gold Mine – Sino Gold's third operating mine. This US\$65 million commitment enables ordering of long-lead time items to commence. Tenders for the ball mill, the key long lead time item, have already been sent to qualified vendors. The basic engineering design is scheduled to be completed during the current June Quarter and site work is anticipated to commence in the September Quarter once detailed design has been sufficiently progressed and necessary approvals obtained.

The operation is planned to produce an **average of 90,000 ounces per annum over the first five years of production at an average cash operating cost (C1) of approximately US\$125 per ounce**. First commissioning gold production is anticipated in the December Quarter of 2010.

## Ownership of Eastern Dragon Increased

During the quarter, Sino Gold successfully negotiated to increase its equity in both the Eastern Dragon Lode 5 Exploration Licence and the surrounding 53 km<sup>2</sup> Exploration Licence (“EL53”).

Sino Gold increased to 95% its equity in Eastern Dragon Lode 5 by acquiring a further 15% interest for staged payments totaling US\$20 million, of which US\$12 million was paid during the quarter. The remaining 5% of Eastern Dragon Lode 5 is held by a Chinese joint-venture partner.

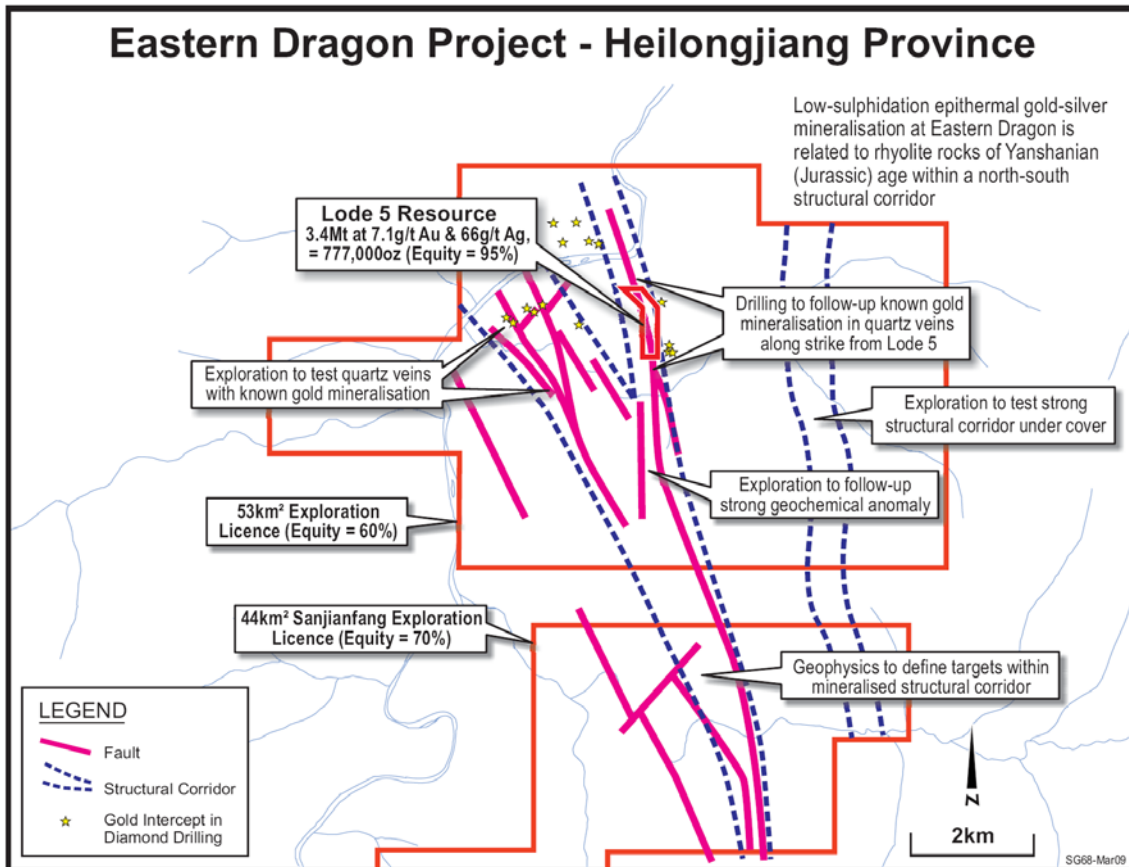
Sino Gold acquired a further 35% interest in the entity which owns EL53 for US\$11 million and now owns 60% of that entity. Payment is subject to the licence being transferred into the name of the joint-venture company.

## Exploration

The initial Eastern Dragon Mineral Resource and Ore Reserve estimates are summarised in the table below.

	Tonnes (millions)	Gold Grade (g/t Au)	Gold Ounces (‘000)	Silver Grade (g/t Ag)	Silver Ounces (millions)
Mineral Resource	3.4	7.1	777	66	7.2
Ore Reserve	2.0	8.4	527	70	4.4

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 EL53, which will be initially targeted.



The 2009 exploration program will be aimed at:

- upgrading resources to reserves by in-fill drilling;
- extending the resource along strike of Lode 5 with step-out drilling;
- testing for further lodes parallel to Lode 5 such as Lode 5-1; and
- discovering new lodes within the EL53.

A review of historical exploration data for EL53 will assist a comprehensive exploration program being undertaken for Lode 5 and the surrounding ground in the upcoming field season.

Data from a recent geophysical survey indicates that Lode 5 may extend 600m to the south of the current resource and this area will be a priority target.

Three drill rigs are now being mobilised to Eastern Dragon to undertake a substantial drilling program during 2009.

### Outlook

Sino Gold has set an ambitious schedule to bring Eastern Dragon into production. This early start to development is driven by commencing development works at site sufficiently in advance of a construction hiatus over the winter months from November to March. This timeline envisages commercial production commencing in early 2011 and is similar to the timing achieved for the development of Sino Gold's White Mountain Mine.

Exploration results promise to be exciting as drilling during 2009 will be aimed at extending the Lode 5 resource and discovering new gold-silver lodes in EL53.

## FEASIBILITY - BEYINHAR (95% EQUITY)

Sino Gold continued to evaluate the potential of the Beyinhar Project in Inner Mongolia to be developed into an open-pit, heap-leach gold operation.

A Board Feasibility Review ("BFR") undertaken during 2008 concluded that Beyinhar is an attractive investment proposition. The Beyinhar BFR envisaged a project producing approximately 60,000 ounces per annum at an average cash operating cost of US\$450/ounce.

In January 2009, Sino Gold released an updated Mineral Resource estimate for the Beyinhar gold deposit in Inner Mongolia totalling **69.2 million tonnes at 0.55g/t gold, containing 1.2 million ounces**. This estimate is based on diamond drilling completed at a nominal 50m drill spacing, with the samples analysed using the fire assay method.

A reverse-circulation ("RC") drilling program was completed in late 2008 over approximately 25% of the deposit that is categorised as an Indicated Resource. The results from this RC program are not included in the Mineral Resource estimate.

The RC program totaled 3km of drilling in 28 holes and in-filled the diamond drilling of a 350m by 250m block of the oxide resource at nominal 50m drill spacing which is offset 25m by 25m from the diamond drillholes. The larger-diameter RC drillholes collected larger samples for analysis than the diamond drilling program.

The RC samples were analysed by "bottle roll" bulk-leach extractable gold ("BLEG") and by fire assay methods for comparison to the fire assay method used for analysing samples from diamond drilling at Beyinhar. The BLEG assay analysis method was chosen as it allows analysis of a larger sample, which is more appropriate for a coarse-gold deposit like Beyinhar.

Overall, the RC drilling program indicates that the fire assay grades in the test area of the Mineral Resource are likely to be conservative but this will need to be tested with bulk sampling and additional drilling.

## Beyinhar Outlook

As an increase to the estimated grade of the Beyinhar deposit would have a materially positive impact on the project economics, further investigations into Beyinhar's gold grade are likely to include:

- Analysing the RC samples by fire assay and BLEG at a different laboratory;
- Further metallurgical testwork; and
- Further bulk sampling and potential trial leaching in 2009.

Permitting is also planned to be progressed during 2009, as well an exploration program aimed at discovering additional oxide resources near the current Beyinhar resource.

## CORPORATE

### Loan from China Construction Bank

During the quarter, China Construction Bank provided a Renminbi ("RMB") denominated loan facility totalling RMB780 (A\$176) million for the Jinfeng Gold Mine.

- The first drawdown has been completed and the US\$-denominated Jinfeng Project Loan, which had a principal amount outstanding of US\$30 (A\$44) million at 31 December 2008, has been repaid; and
- RMB550 (US\$81) million is undrawn.

### Resource Compensation Fee

As previously reported, the Jinfeng joint venture company ("JVC") received a notice in late 2008 advising that the JVC should pay the normal Resource Compensation Fee ("RCF") on its operations. A five-year exemption from the RCF had been granted when Jinfeng was approved as an "encouraged" project in January 2005. The RCF is a tax-deductible royalty that currently equates to about US\$27/ounce of gold produced.

The JVC has received legal advice that its qualification for the exemption from the RCF is valid. An administrative review of the issue is underway and the timing and ultimate outcome of the review process is uncertain.

### Sale of Non-Core Assets

During the quarter, the **BioGold** Processing Facility in Shandong Province was sold for RMB10 million. Sino Gold has discharged all related bank loans and has no residual warranties in relation to BioGold.

The second of three instalments has been received for the US\$10 million sale of Sino Gold's interest in the **Nibao** Project in Guizhou Province.

During the quarter, Sino Gold sold its interest in the **Greatland** Project in Guizhou Province for RMB7 million.

### Cash and Hedging Position

At 31 March 2009, the Company had net available cash of US\$21 million and undrawn banking facilities totalling RMB550 (US\$81) million.

The price realised for gold sales during the quarter averaged US\$930 per ounce. Sino Gold does not have any hedging contracts relating to future gold sales, interest rates or foreign exchange transactions.

Exploration expenditure incurred by the Company during the quarter totaled US\$1.5 million.



## 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

Dr Yumin Qiu (MAIG), who is a full-time employee of Sino Gold in the capacity of General Manager, China Exploration and JVC, takes responsibility for the information in this report which relates to Exploration Results, Mineral Resources and Ore Reserves 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). Dr Qiu 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 17 April 2009, the Company has 292,006,627 ordinary shares on issue and a total of 12,867,420 unlisted options and warrants on issue.

### Quarterly Share Price

	High	Low	Close
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
Mar 2009 Qtr	\$6.25	\$4.18	\$5.29

### Registered Office

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Australia  
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Fax +61 2 8259 7070  
[www.sinogold.com.au](http://www.sinogold.com.au)

### Share Registry

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Sydney NSW 2000  
Phone +61 2 9290 9600  
Fax +61 2 9279 0664  
[www.registriesltd.com.au](http://www.registriesltd.com.au)

Computershare Hong Kong Investor Services Limited  
17th Floor Hopewell Centre  
183 Queen's Road East  
Wanchai Hong Kong  
Phone: +852 2862 8555  
Website: [www.computershare.com](http://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 3.2 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 3.7g/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 high-grade **Eastern Dragon** Project in northern China's Heilongjiang Province has excellent potential to produce very low-cost gold and is being rapidly progressed towards becoming Sino Gold's third mine.

Sino Gold continues to assess the potential of the **Beyinhar** Project in Inner Mongolia to be developed into

an open-pit, heap-leach gold operation.

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

### For further information, contact:

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## APPENDIX – RESOURCES &amp; RESERVES STATEMENT

## Summary of Mineral Resources

	Category	Million Tonnes	Grade g/t Au	Gold '000oz	Grade g/t Ag	Silver Moz	Share %	Gold '000oz	Silver Moz
Jinfeng	Measured	18.0	4.8	2,750	-	-	82%	2,255	-
	Indicated	11.0	4.5	1,580	-	-	82%	1,296	-
	<b>Sub-Total M+I</b>	<b>29.0</b>	<b>4.7</b>	<b>4,330</b>	-	-	<b>82%</b>	<b>3,551</b>	-
	Inferred	5.4	3.9	674	-	-	82%	553	-
	<b>Total Jinfeng</b>	<b>34.3</b>	<b>4.5</b>	<b>5,004</b>	-	-	<b>82%</b>	<b>4,103</b>	-
White Mountain	Measured	6.7	3.1	673	-	-	95%	640	-
	Indicated	4.0	3.1	405	-	-	95%	385	-
	<b>Sub-Total M+I</b>	<b>10.7</b>	<b>3.1</b>	<b>1,079</b>	-	-	<b>95%</b>	<b>1,025</b>	-
	Inferred	1.6	2.1	109	-	-	95%	104	-
	<b>Total White Mountain</b>	<b>12.4</b>	<b>3.0</b>	<b>1,188</b>	-	-	<b>95%</b>	<b>1,128</b>	-
Beyinhar	Measured	7.8	0.82	205	-	-	95%	195	-
	Indicated	53.9	0.49	848	-	-	95%	806	-
	<b>Sub-Total M+I</b>	<b>61.7</b>	<b>0.53</b>	<b>1,053</b>	-	-	<b>95%</b>	<b>1,000</b>	-
	Inferred	7.5	0.75	182	-	-	95%	173	-
	<b>Total Beyinhar</b>	<b>69.2</b>	<b>0.55</b>	<b>1,235</b>	-	-	<b>95%</b>	<b>1,173</b>	-
Eastern Dragon	Measured	0.6	11.2	220	83	1.6	95%	209	1.5
	Indicated	1.6	7.2	361	73	3.7	95%	343	3.5
	<b>Sub-Total M+I</b>	<b>2.2</b>	<b>8.3</b>	<b>581</b>	<b>76</b>	<b>5.3</b>	<b>95%</b>	<b>552</b>	<b>5.0</b>
	Inferred	1.2	5.0	196	50	1.9	95%	186	1.8
	<b>Total Eastern Dragon</b>	<b>3.4</b>	<b>7.1</b>	<b>777</b>	<b>66</b>	<b>7.2</b>	<b>95%</b>	<b>738</b>	<b>6.8</b>
Sino Gold	Measured	33.1	3.6	3,849	83	1.6		3,299	1.5
	Indicated	70.5	1.4	3,194	73	3.7		2,829	3.5
	<b>Sub-Total M+I</b>	<b>103.6</b>	<b>2.1</b>	<b>7,043</b>	<b>156</b>	<b>5.3</b>		<b>6,128</b>	<b>5.0</b>
	Inferred	15.8	2.3	1,161	50	1.9		1,015	1.8
	<b>Total Sino Gold</b>	<b>119.4</b>	<b>2.1</b>	<b>8,204</b>	<b>206</b>	<b>7.2</b>		<b>7,143</b>	<b>6.8</b>

## Summary of Ore Reserves

Category		Million Tonnes	Grade g/t Au	Gold '000oz	Grade g/t Ag	Silver Moz	Share %	Gold '000oz	Silver Moz
<b>Jinfeng Open Pit</b>	Proved	4.9	4.4	697	-	-	82%	572	-
	Probable	0.7	3.3	71	-	-	82%	58	-
<b>Sub-Total Jinfeng Open Pit</b>		<b>5.6</b>	<b>4.3</b>	<b>768</b>	-	-	<b>82%</b>	<b>630</b>	-
<b>Jinfeng Underground</b>	Proved	7.9	5.7	1,435	-	-	82%	1,177	-
	Probable	5.4	5.7	990	-	-	82%	812	-
<b>Sub-Total Jinfeng Underground</b>		<b>13.3</b>	<b>5.7</b>	<b>2,425</b>	-	-	<b>82%</b>	<b>1,989</b>	-
Jinfeng Stockpile	Proved	0.5	2.6	39	-	-	82%	32	-
<b>Total Jinfeng</b>	Proved	13.2	5.1	2,171	-	-	82%	1,780	-
	Probable	6.1	5.4	1,061	-	-	82%	870	-
<b>Total Jinfeng</b>		<b>19.3</b>	<b>5.2</b>	<b>3,232</b>	-	-	<b>82%</b>	<b>2,650</b>	-
<b>White Mountain</b>	Proved	4.3	3.6	496	-	-	95%	471	-
	Probable	2.3	4.0	290	-	-	95%	276	-
<b>Sub-Total White Mountain Underground</b>		<b>6.6</b>	<b>3.7</b>	<b>786</b>	-	-	<b>95%</b>	<b>747</b>	-
White Mountain Stockpile	Proved	0.05	3.0	4	-	-			-
<b>Total White Mountain</b>	Proved	4.3	3.6	500	-	-	95%	475	-
	Probable	2.3	4.0	290	-	-	95%	276	-
<b>Total White Mountain</b>		<b>6.6</b>	<b>3.7</b>	<b>790</b>	-	-	<b>95%</b>	<b>751</b>	-
<b>Beyinhar</b>	Proved	7.1	0.83	191	-	-	95%	181	-
	Probable	20.7	0.55	367	-	-	95%	349	-
<b>Total Beyinhar</b>		<b>27.8</b>	<b>0.62</b>	<b>558</b>	-	-	<b>95%</b>	<b>530</b>	-
<b>Eastern Dragon</b>	Proved	0.7	9.8	206	72	1.5	95%	196	1.4
	Probable	1.3	7.6	321	69	2.9	95%	305	2.8
<b>Total Eastern Dragon</b>		<b>2.0</b>	<b>8.4</b>	<b>527</b>	<b>70</b>	<b>4.4</b>	<b>95%</b>	<b>501</b>	<b>4.2</b>
<b>Total Sino Gold</b>	Proved	25.3	3.8	3,068	72	1.5		2,629	1.4
	Probable	30.4	2.1	2,039	69	2.9		1,800	2.8
<b>Total Sino Gold</b>		<b>55.7</b>	<b>2.9</b>	<b>5,107</b>	<b>70</b>	<b>4.4</b>		<b>4,428</b>	<b>4.2</b>

## Notes applicable to the Mineral Resources and Ore Reserves

1. Mineral Resources are inclusive of Ore Reserves. All estimates are as at 31 December 2008.
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](http://www.sinogold.com.au)).
3. Key changes to the Company's Mineral Resources and Ore Reserves since the position as at 31 December 2007 are:
  - The Jinfeng Mineral Resources have been depleted for mining, processing and losses during 2008 totalling 249,000 ounces;
  - The White Mountain Mineral Resources have been depleted for mining and processing completed during 2008 totalling 3,000 ounces;
  - The Beyinhar Mineral Resources and Ore Reserves estimates have been updated to include the results from drilling and studies undertaken during 2008; and
  - The Eastern Dragon Mineral Resources and Ore Reserves are initial estimates that include the results from drilling and studies undertaken during 2008.

	Gold Price Basis (US\$/oz)	Cut-off Grade (g/t gold)	Competent Person
<b>Mineral Resources</b>			
Jinfeng - Open Pit		1.0	1
- Underground		2.0	1
White Mountain		1.0	2
Beyinhar		0.2/0.5	1
Eastern Dragon		1.0	2, 3
<b>Ore Reserves</b>			
Jinfeng - Open Pit	US\$750/oz	1.5	4
- Underground	US\$750/oz	2.9	5
White Mountain	US\$750/oz	2.0	5
Beyinhar	US\$650/oz	0.28/0.66	6
Eastern Dragon	US\$650/oz	1.5/2.5	5

## Competent Persons

As noted in the table above, the following individuals take responsibility as at the date of signing-off each Mineral Resource and Ore Reserve estimate:

1. Mr Phillip Uttley (FAusIMM) was a full-time employee of Sino Gold in the capacity of Chief Geologist. He is a geologist with more than 27 years experience in exploration and evaluation of gold deposits, including the exploration for and estimation of resources of structurally controlled-gold deposits and replacement-style gold deposits. Mr Uttley takes responsibility for the Jinfeng and Beyinhar Mineral Resource estimates.

2. 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. Dr Qiu takes responsibility for the White Mountain Mineral Resource estimate and the exploration data relating to the Eastern Dragon Mineral Resource estimate.
3. Mr Robin Simpson (MAIG) is an independent consultant with SRK Consulting and is a geologist with more than 10 years experience in the evaluation of gold deposits. He takes responsibility for the Eastern Dragon Mineral Resource estimate.
4. Mr Weifeng Li (MAusIMM) is a Principle Mining Consultant of West Swan Pty Ltd and is an open-pit mining engineer with over 20 years experience in the mining industry. Mr Li takes responsibility for the Jinfeng open-pit Ore Reserve estimate.
5. 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. Dr Chen takes responsibility for the Jinfeng underground, White Mountain and Eastern Dragon Ore Reserve estimates.
6. Mr Steve Craig (MAusIMM) is an independent consultant with Orelogy and is a mining engineer with more than 20 years experience in evaluation of gold deposits. Mr Craig takes responsibility for the Beyinhar Ore Reserve estimate.

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
- consent to the publication of this information in the form and context in which it appears.