

June 6, 2011



Bissett, MB
TSX: SGR || OTCQX:SGRCF
www.sangold.ca

San Gold Corporation Files Early Warning Report in Respect of SGX Resources Inc.

San Gold Corporation (TSX: SGR) (OTCQX: SGRCF) (the "Company") today announces that it has been issued a total of 1,636,256 common shares ("Common Shares") of SGX Resources Inc. ("SGX") in satisfaction of \$483,350 owing by SGX to the Company pursuant to mineral option agreements acquired by SGX from the Company pursuant to a purchase agreement dated December 4, 2009 (the "Purchase Agreement"). These Common Shares represent approximately 2.62% of the issued and outstanding Common Shares of SGX. The Common Shares were issued to the Company at a deemed price of \$0.2954 per Common Share.

The acquisition results in the Company beneficially owning and controlling an aggregate of 26,636,256 Common Shares, representing approximately 42.63% of the issued and outstanding Common Shares. This represents a material change over the 25,000,000 Common Shares held by the Company as at the date when SGX first became a reporting issuer.

The decision to issue the Common Shares to the Company was taken by SGX. Pursuant to the Purchase Agreement, SGX had the option to issue Common Shares or pay the amount outstanding in cash. San Gold Corporation has no current intention to increase or decrease beneficial ownership of, or control or direction over, Common Shares through market transactions or otherwise.

An early warning report in respect of the above-noted transaction will be filed on SEDAR and will be available at www.sedar.com.

For further information contact Investor Relations at 1-800-321-8564 or visit www.sangold.ca.

Neither the Toronto Stock Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Toronto Stock Exchange) accepts responsibility for the adequacy or accuracy of this release. The information in this release may contain forward-looking information under applicable securities laws. This forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied in the forward-looking information.