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SGX Resources Inc. Announces Private Placement Offering of Flow-Through Shares and Issuance of Flow-Through Shares for Debt Transaction

Winnipeg, MB
August 23, 2011

Mr. Hugh Wynne, Executive Chairman of SGX Resources Inc. (the "**Corporation**"), a company listed on the TSX Venture Exchange under the symbol "SXR", today announced a private placement offering (the "**Offering**") of up to 10,000,000 common shares of the Corporation to be issued as "flow-through shares" within the meaning of the *Income Tax Act* ("**Flow-Through Shares**") at a price of $0.29 per Flow-Through Share, for aggregate gross proceeds of up to $2,900,000.

Certain companies and individuals may assist the Corporation by introducing potential subscribers for the Offering and, subject to compliance with applicable legislation, will be entitled to receive a fee, payable in cash, equal to up to 5% of the total subscription proceeds received from subscribers introduced to the Corporation by each particular person.

The Corporation intends to use the net proceeds of the Offering to fund exploration on the Timmins, Ontario area mineral properties of the Corporation.

The Private Placement is subject to the approval of the TSX Venture Exchange (the "**TSX Venture**").

Mr. Wynne also announced today that, subject to the approval of the TSX Venture, the Corporation intends to offer a "shares for debt" transaction pursuant to which the Corporation may issue additional Flow-Through Shares in satisfaction of certain liabilities (the "**Shares for Debt Transaction**").

Pursuant to the Shares for Debt Transaction, the Corporation has agreed to offer to issue Flow-Through Shares to certain subscribers (the "**Designated Purchasers**") that subscribed for units (the "**Units**") pursuant to its private placement offering of Units which closed in December of 2009. These Flow-Through Shares are being issued in satisfaction of an aggregate of approximately $700,000 in tax liabilities owing pursuant to that offering resulting from the failure of the Corporation to incur $1,588,981 in qualifying expenditures, as described below. The Units were each comprised of ten Flow-Through Shares, one regular common share and eleven common share purchase warrants.

Pursuant to the subscription agreement (the "**Subscription Agreement**") entered into by the Corporation and the purchasers of Units, the Corporation was required, prior to December 30, 2010, to incur qualifying expenditures, and renounce to the purchasers of such Units an amount equal to $2.50 per Unit (an aggregate amount of $6,041,400). In fact, the Corporation incurred an aggregate of $4,452,419 of qualifying expenditures, representing a deficiency of $1,588,981, but renounced the full amount to purchasers of such Units. The result of such deficiency is that all purchasers of Units would be subject to a tax liability based upon the amount of such deficiency (grossed up for taxes).

The Corporation intends to offer to enter into debt settlement agreements with the Designated Purchasers pursuant to which such Designated Purchasers may agree to accept a greater tax liability than they would otherwise be subject to in consideration of the payment of a settlement amount equal to that tax liability (which will result in the other purchasers of Units not being subject to a tax liability or being subject to a reduced tax liability). The Designated Purchasers are asked to accept, in satisfaction of the settlement amount, common shares of the Corporation issued as "flow-through shares" within the meaning of the *Income Tax Act* (the "**Debt Shares**") in full satisfaction of the settlement amount. The Debt Settlement Agreements shall provide that the Debt Shares are to be issued at $0.29 per Debt Share.

The purpose of the Corporation entering into the Shares for Debt Transaction is to isolate the tax liabilities among the Designated Purchasers (rather than all purchasers of Units) and to enable the Corporation to satisfy the settlement amounts in Debt Shares rather than in cash.

The Shares for Debt Transaction may involve certain Designated Purchasers who are "related parties" (within the meaning of TSX Venture Policy 5.9) of the Corporation (the "**Related Parties**"). Once it is known how many of the Related Parties will agree to accept the Shares for Debt Transaction, the Corporation will announce this information.

The Shares for Debt Transaction is subject to the approval of the TSX Venture.

For further information contact Hugh Wynne, Executive Chairman of SGX Resources Inc., at (204) 774-6771.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the contents of this News Release.