ASX ANNOUNCEMENT
10 March 2010

HIGH GRADE GOLD INTERSECTED AT SIHAYO 1 NORTH

Highlights:

- **Infill drilling at the Sihayo 1 North Resource intersects the highest grade gold discovered to date. New high grade intersections include:**
  - **SHDD 205 – 26m at 9.4g/t Au from 98m**
    - ***Including 4m at 19.5g/t Au***
    - ***and 1m at 26.3g/t Au***
  - **SHDD 211 – 6m at 15.8g/t Au from 77m**
    - ***Including 2m at 27.4g/t Au***
  - **SHDD 195 – 26m at 5.8g/t Au from 81m**
    - ***Including 2m at 17.0g/t Au***
    - ***and 4m at 8.3g/t Au***

- **Other significant results from infill drilling include:**
  - **SHDD 157 – 8m at 4.7g/t Au from 24m and – 11m at 3.2g/t Au from 35m**
  - **SHDD 160 – 21m at 2.2g/t Au from 1m**
  - **SHDD 162 – 12m at 4.4g/t Au from 99m**
  - **SHDD 171 – 35m at 2.5g/t Au from 3m**
  - **SHDD 177 – 11m at 2.0g/t Au from 13m**
  - **SHDD 181 – 4m at 5.1g/t Au from 90m**
  - **SHDD 190 – 15m at 2.1g/t Au from 43m**
  - **SHDD 197 – 8m at 3.4g/t Au from 108m**
  - **SHDD 203 – 14.75m at 3.4g/t Au from 65.3m**

- **The updated results continue to enhance the continuity of mineralisation within the Sihayo resource.**

- **There are currently 7 diamond drilling rigs conducting the infill drilling at the Sihayo resource.**

- **The resource drilling is expected to be completed by mid April.**

- **Exploration drilling at the Old Camp, Sihayo 1 and Sihayo 2 prospects will commence on completion of the resource infill drilling.**

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The Board of Sihayo Gold Limited (ASX: SIH) is pleased to announce updated results from the resource infill drilling at the Sihayo 1 North resource within its 75% owned Sihayo Project in Sumatra, Indonesia. The latest results of the drilling have returned the highest grade gold intersected to date within the Sihayo 1 North Resource. In addition the infill drilling continues to show good continuity within both the upper regolith portions of the resource in the north and the deeper portions of the resource down to 120 metres depth in the south.

In line with the Company's stated aim to complete a DFS by the end of 2010 and move into production by late 2011 or early 2012 the Company currently has seven diamond drill rigs conducting infill drilling of the Sihayo Inferred Resource. The Company is planning to complete the infill drilling by April ahead of the previously scheduled May 2010 completion with the objective of upgrading the confidence in the resource estimate from Inferred to Indicated and Measured status under the JORC code by June 2010. The current total project inferred resource is estimated to be 1.01M oz of gold grading 2.4g/t.

The latest results have, in particular, highlighted the potential for a high gold grade core to occur within the southern portion of the resource where results from the new holes **SHDD 195, 205 and 211** returned **26m at 5.8g/t, 26m at 9.4g/t and 6m at 15.8g/t** (Figure 1). There are still a number of holes to be drilled and assay results to be received from this part of the resource.

In addition to the high grade results the other infill drilling has continued to highlight the continuity of mineralisation within the remaining areas of the resource. Gold mineralisation of potentially economic significance has been intersected in the vast majority of holes completed to date. A full list of new results is included in Table 1 and the drill hole locations are shown on Figure 1.

The Company's CEO Mr Tony Martin said "The results are particularly pleasing in that they not only appear to confirm the general continuity of mineralisation within the resource but also the increased geological knowledge continues to open up the exploration potential in the poorly drilled areas immediately surrounding the resource."

Once the infill drilling is completed exploration drilling will immediately commence on the other gold exploration prospects adjacent to the resource area.

TONY MARTIN
Chief Executive Officer

Note 1: *It is advised that in accordance with the Australian Stock Exchange Limited Listing Rule 5.6, the information in this report that relates to Exploration Results is based on information compiled by both Mr Tony Martin and Mr Dean Pluckhahn, who are Members of the Australasian Institute of Mining and Metallurgy. Mr Martin is the Chief Executive Officer of Sihayo Gold Limited and Mr. Pluckhahn is a full time employee of Sihayo Gold Ltd's 75% owned subsidiary company P.T. Sorikmas Mining ("Sorikmas"). Mr Martin and Mr Pluckhahn have sufficient experience which is relevant to the style of mineralisation and type of deposit which is under consideration and to the activity which Sihayo Gold is undertaking to qualify as a "Competent Persons" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Martin and Mr Pluckhahn both consent to the inclusion in this report of the matters based on information in the form and context in which it appears.*

Note 2: *All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Sihayo Gold Ltd, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions*

Figure 1: Sihayo 1 North infill drilling collar location and scoping study proposed pit outline

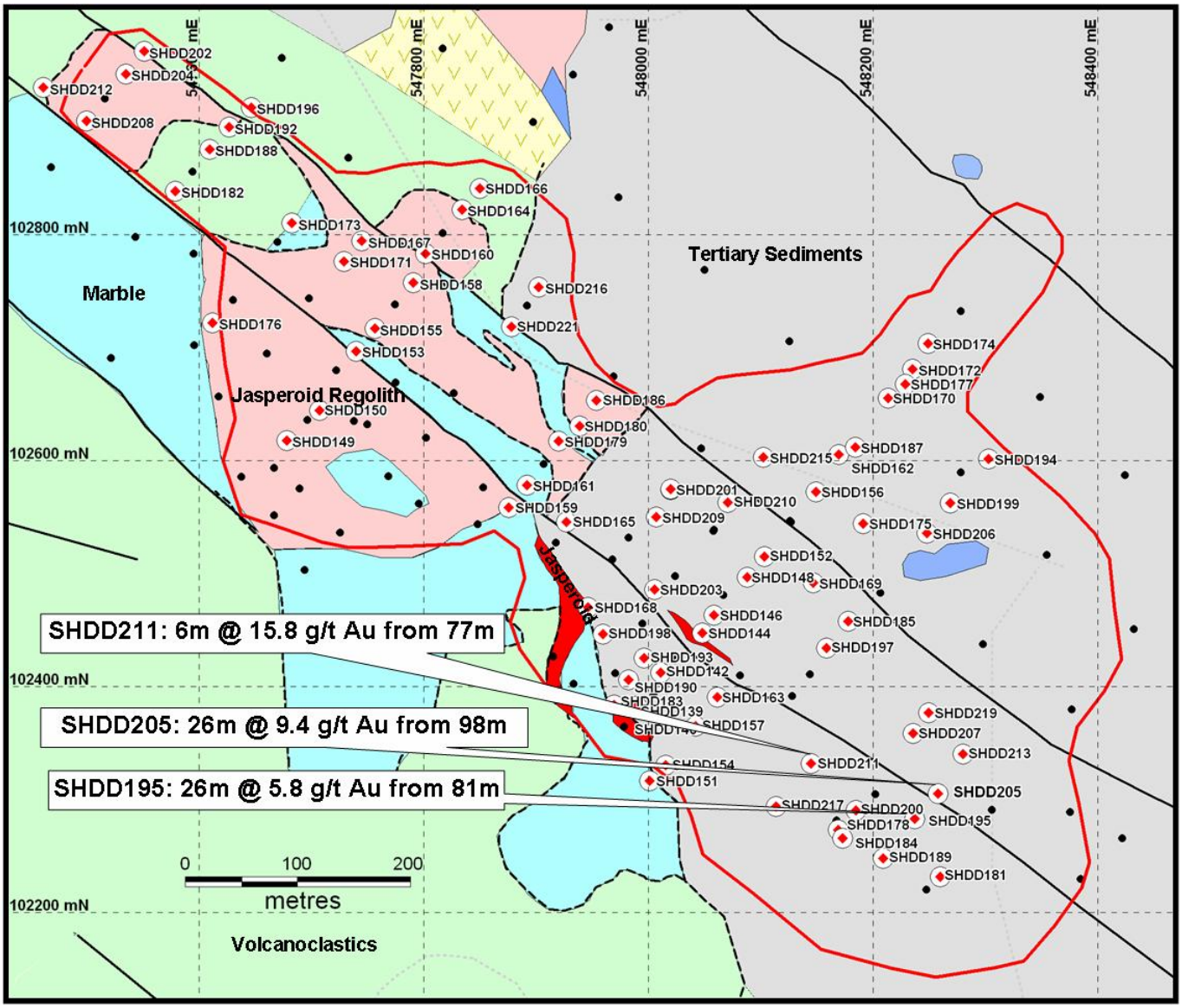

Table 1: Significant New Infill Drill Results Sihayo 1 North (>1g/t Au)

Hole_ID	UTM_North	UTM_East	Azimuth	Dip	Hole Depth	mFrom	Gold Intercept
SHDD156	102572	548149	0	-90	126.2	30.0	1m @ 1.1 g/t
SHDD157	102365	548042	40	-70	125.0	24.0	**8.5m @ 4.7 g/t**
						35.0	**11m @ 3.2 g/t**
						51.0	2m @ 2.4 g/t
						56.0	2m @ 3.3 g/t
						96.0	6.25m @ 1.5 g/t
						103.8	2.9m @ 2.8 g/t
						108.2	6.8m @ 2.7 g/t
SHDD159	102559	547876	0	-90	30.0	0.0	**11m @ 2.0 g/t**
SHDD160	102783	547801	0	-90	40.2	1.0	**21m @ 2.2 g/t**
SHDD161	102578	547892	0	-90	55.0	10.0	4m @ 3.7 g/t
						47.0	1m @ 2.5 g/t
SHDD162	102606	548170	0	-90	125.0	99.0	**12m @ 4.4 g/t**
SHDD163	102391	548061	40	-70	120.5	42.8	1.35m @ 5.8 g/t
						44.6	1.4m @ 3.5 g/t
						76.0	1m @ 2.0 g/t
						90.0	5m @ 2.0 g/t
SHDD164	102822	547834	0	-90	57.5	19.0	1m @ 1.1 g/t
						32.0	3m @ 3.2 g/t
SHDD166	102841	547850	0	-90	45.0	28.0	1.95m @ 1.3 g/t
						30.7	1.2m @ 3.5 g/t
SHDD167	102795	547745	0	-90	50.2	1.0	**9m @ 4.2 g/t**
						17.0	1m @ 1.2 g/t
						26.0	5m @ 2.8 g/t
SHDD169	102492	548147	0	-90	125.0	23.0	4.25m @ 2.5 g/t
						53.0	1m @ 1.7 g/t
						96.0	**10.2m @ 2.1 g/t**
						106.8	**6.2m @ 5.0 g/t**
SHDD171	102776	547729	0	-90	51.6	3.0	**35.05m @ 2.5 g/t**
SHDD172	102681	548235	220	-70	7.3	5.0	2.3m @ 5.2 g/t
SHDD173	102810	547682	0	-90	60.2	0.0	5m @ 1.0 g/t
						9.0	1m @ 2.4 g/t
						13.0	1m @ 2.2 g/t
						20.0	1m @ 5.6 g/t
SHDD174	102703	548249	0	-90	34.0	8.0	2m @ 2.2 g/t
SHDD175	102544	548191	0	-90	130.5	20.0	1m @ 2.5 g/t
						26.0	12m @ 1.4 g/t
						73.0	4m @ 1.2 g/t
						116.0	1m @ 2.7 g/t
SHDD176	102722	547612	0	-90	63.0	1.0	6m @ 1.5 g/t
SHDD177	102668	548229	0	-90	110.0	13.0	**11m @ 2.0 g/t**
SHDD179	102617	547920	0	-90	45.0	3.0	1m @ 4.4 g/t
SHDD180	102631	547939	0	-90	40.0	18.0	7m @ 2.4 g/t
SHDD181	102232	548260	40	-90	110.4	90.0	4m @ 5.1 g/t
SHDD182	102839	547579	0	-90	35.3	10.0	1m @ 1.2 g/t
						18.0	1m @ 1.4 g/t

Hole_ID	UTM_North	UTM_East	Azimuth	Dip	Hole Depth	mFrom	Gold Intercept
SHDD183	102384	547969	40	-90	60.0	0.0	2m @ 4.2 g/t
SHDD185	102458	548178	0	-90	135.0	28.0	1.3m @ 1.6 g/t
						33.1	**4.95m @ 4.5 g/t**
						118.0	1m @ 1.1 g/t
SHDD186	102654	547954	0	-90	43.9	29.0	2m @ 2.7 g/t
SHDD189	102248	548209	0	-90	111.8	90.0	1m @ 1.2 g/t
SHDD190	102406	547982	40	-90	65.4	1.0	1m @ 3.1 g/t
						14.0	1m @ 1.5 g/t
						36.0	1m @ 1.2 g/t
						43.0	**15m @ 2.1 g/t**
SHDD191	102574	548020	0	-90	36.3	17.0	6m @ 2.0 g/t
						27.0	3m @ 1.5 g/t
						35.0	1.3m @ 1.9 g/t
SHDD193	102425	547996	0	-90	75.9	32.0	3m @ 5.0 g/t
						50.0	5m @ 1.5 g/t
SHDD194	102601	548303	0	-90	69.8	54.0	**14m @ 1.8 g/t**
SHDD195	102283	548237	0	-90	121.2	81.0	**26m @ 5.8 g/t**
						111.0	2m @ 5.0 g/t
SHDD196	102912	547646	0	-90	40.2	3.0	4.85m @ 2.2 g/t
						9.2	1.85m @ 2.4 g/t
SHDD197	102434	548159	0	-90	130.0	40.0	5.8m @ 1.9 g/t
						85.0	1m @ 1.2 g/t
						108.0	**8m @ 3.4 g/t**
SHDD198	102446	547960	0	-90	65.4	43.0	3m @ 1.8 g/t
SHDD200	102290	548185	0	-90	90.4	73.0	5m @ 3.1 g/t
SHDD201	102575	548020	0	-90	49.2	18.0	5m @ 3.2 g/t
						36.0	1m @ 1.9 g/t
SHDD203	102486	548006	0	-90	110.0	18.0	7m @ 1.8 g/t
						41.0	1.4m @ 6.6 g/t
						42.7	2.3m @ 2.5 g/t
						48.0	2m @ 3.0 g/t
						65.3	**14.75m @ 3.4 g/t**
SHDD205	102305	548258	0	-90	130.0	80.0	7m @ 1.8 g/t
						98.0	**26m @ 9.4 g/t**
SHDD208	102901	547500	0	-90	35.2	8.0	1m @ 1.6 g/t
						30.0	1m @ 1.1 g/t
SHDD209	102550	548007	0	-90	75.2	33.0	1m @ 6.6 g/t
SHDD211	102332	548145	0	-90	100.0	63.0	**1m @ 11.7 g/t**
						77.0	**6m @ 15.8 g/t**
SHDD212	102930	547461	0	-90	41.4	21.0	1m @ 1.4 g/t
SHDD215	102603	548102	0	-90	120.0	31.0	2.9m @ 1.9 g/t

Notes to Table 1

1. All assays determined by 50gm fire assay with AAS finish by Intertek- Caleb Brett Laboratories of Jakarta

2. Lower cut of 1.0g/t Au used

3. A maximum of 2m of consecutive internal waste (material less than 1.0g/t Au) per reported intersection

4. All interval grades were calculated as a weighted average

5. All intervals reported as down hole lengths

6. Sampling regime as half core for PQ and HQ diameter core

7. Quality Assurance and Quality Control (QAQC):

8. Coordinates in UTM grid system