



April 14, 2009

SouthGobi Energy Resources Mongolia Mining Update

Fleet Expanded with New Shovel / Trucks

Shivee Khureen (Ceke) designated as a permanent border crossing by the Mongolian and Chinese Governments

Railway study commissioned

VANCOUVER, CANADA – Peter Meredith, Chief Executive Officer of SouthGobi Energy Resources Ltd. (**SGQ: TSX-V**), and Gene Wusaty, Chief Operating Officer, are pleased to provide an update on the company's Mongolian coal operations.

Ovoot Tolgoi Fleet Expansion

The company has finalized an order for a new shovel / truck mining fleet consisting of a Liebherr 996 hydraulic excavator (34 cubic metres) and four Terex MT4400 (260-ton capacity) trucks for its Ovoot Tolgoi Mine. SouthGobi expects to commission the new fleet in September 2009. The existing mine fleet consists of a Liebherr 994 hydraulic excavator (13.5-cubic meter capacity) and seven Terex TR100 (100-ton capacity) trucks.

“The addition of this new, larger fleet will increase our annualized coal mining capacity at Ovoot Tolgoi from approximately two million tonnes to five million tonnes once it is fully operational at the end of the year. It also will significantly increase the flexibility in our mining operations,” said Mr. Wusaty.

Shivee Khureen (Ceke) border crossing designated as a permanent border crossing by the Mongolian and Chinese Governments

As previously reported on December 8, 2008, cross border coal truck traffic inefficiencies and coal transportation bottlenecks have been a key area targeted by SouthGobi's management for improvement. In July 2008, SouthGobi formally requested the Mongolian government to convert the day-shift only temporary Shivee Khureen (Ceke) border checkpoint to a permanent 24/7 status to maximize coal exports. In January 2009, the border checkpoint was designated as a permanent checkpoint operating five days per week / eight hours per day. In March 2009, the border started operating seven days per week on an eight hour dayshift basis. Based on ongoing developments, it is anticipated that the permanent border designation will lead to the border operating 24/7 later this year,

relieving constraints on transborder shipments of Ovoot Tolgoi coal, which totaled 115,000 tonnes in March. The forecast for April coal shipments is approximately 150,000 tonnes.

“We are very pleased with the progress on the border checkpoint and await the next step which will allow for accelerated deliveries of coal from Ovoot Tolgoi to our customers in China,” said Mr. Wusaty.

Mongolian Railway Study Commissioned

SouthGobi has commissioned a railway study for its Ovoot Tolgoi Mine with China Railway First Survey and Design Institute Group Ltd. The study will be the basis for discussions with the Mongolian Government to form a strategy to develop rail infrastructure in the South Gobi region. SouthGobi intends to pursue the future development of rail transportation from the Ovoot Tolgoi mining area to the Chinese border, a distance of approximately 50 kilometres. Significant rail capacity has been developed on the Chinese side of the border where a new east/west railway is being completed later this year.

About SouthGobi Energy Resources

SouthGobi Energy Resources is focused on exploration and development of its Permian-age metallurgical and thermal coal deposits in Mongolia's South Gobi Region and its Eocene-age metallurgical and thermal coal deposits in East Kalimantan, Indonesia. The company's flag-ship coal mine, Ovoot Tolgoi, is selling coal to customers in China. The company plans to supply a wide range of coal products and electricity to markets in Asia. The company also is investigating the implementation of clean-coal technologies in the development of coal power-generating capacity to benefit all of its stakeholders.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements: This document includes forward-looking statements. Forward-looking statements include, but are not limited to, the company's future ability to supply coal products and electricity to markets in Asia, the increase in annualized coal mining capacity at Ovoot Tolgoi from two million tones to five million tones by the end of the year, the expanded opening of the Mongolia/China border checkpoint at Ceke, the forecast for April coal shipments, the Mongolian railway study, the delivery of the new mining fleet and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although SouthGobi Energy Resources believe that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are disclosed under the heading "Risk Factors" in SouthGobi Energy's Management's Discussion and Analysis of Financial Condition and Results of Operations for the year end Dec. 31, 2008, which is available at www.sedar.com.

Liebherr 996 Hydraulic Excavator

