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SouthGobi Energy Resources discovers multiple, thick, near-surface coking and thermal coal seams at the new Sumber Coal Discovery, 16 kilometres east of the producing Ovoot Tolgoi Coal Mine in southern Mongolia

51.5 metres of coal intercepted

Coal occurrences extended over a distance of 18 kilometres

VANCOUVER, CANADA – Peter Meredith, Chief Executive Officer of SouthGobi Energy Resources Ltd. (**SGQ: TSX-V**), and Gene Wusaty, Chief Operating Officer, Coal Division, announced today that the company has intersected significant thicknesses in near-surface seams of high-quality coking and thermal coal, including one intercept of 51.5 metres, at the new Sumber Coal Discovery 16 kilometres east of SouthGobi's producing Ovoot Tolgoi coal mine, southern Mongolia.

The N, O, and E coal fields are in localized deposits and have been designated the Sumber Coal Project. Mr. Wusaty said the new discovery, previously referred to as the Alphabet Fields, now has been officially named the Sumber Coal Project. The name, proposed by the Buddhist Purevbat Lama of Mongolia, means "beginning of the universe".

"This discovery validates our expectations that there are multiple, near-surface thermal and coking coal deposits along strike from the existing mine at Ovoot Tolgoi," Mr. Wusaty said. "The existing Ovoot Tolgoi mine site, airport and future coal transportation infrastructure will benefit the development at the Sumber discovery".

The N, O and E fields are located in Mineral Exploration Licence #9443 which also encompasses part of the Ovoot Tolgoi Mining Licence. N field is located approximately 16 kilometres east of the Ovoot Tolgoi South-East pit and 8 kilometres west of O Field. E Field is located approximately 10 kilometres west of O Field. N Field coal occurrences have been identified approximately two kilometres north of the east-west trending Nariin Sukhait thrust fault, the major structural feature of the Ovoot Tolgoi region. (see www.southgobi.com for map)

The Ovoot Tolgoi and Sumber coal deposits are in the southwest corner of the Omnogovi Aimag (Province), located in the southern Gobi area of Mongolia. The deposits are within the Gurvantes Soum, 320 kilometres southwest of the provincial capital of Dalanzadgad and 950 kilometres south of the nation's capital of Ulaanbaatar. The Ovoot Tolgoi coal mine is 45 kilometres north of the Mongolian border with China.

Intermittent coal outcrops of Late Permian-age occur along a strike-length of 90 kilometres in the upper plate sequence of an arcuate, east-west trending thrust fault, the dominant structural feature of the basin. Exploration and drilling programs, first started in 2005, have identified 11 coal seams at the Sumber Coal Project.

The intention of the 2008 drilling program is to delineate resources to the standards prescribed by National Instrument 43-101, which is expected to be completed in the fourth quarter of 2008. Once completed, mine planning will be initiated and an application for a mining licence will be submitted for development of this project. The exploration drilling also has been designed to connect the fields by potentially equivalent coal seams.

The following table summarizes highlights of the 2008 Sumber Coal Project drilling program. To date, the 2008 drilling program has completed 91 rotary and core holes.

N, O and E Field Drill Results

Hole #	Field	Drill Date	Hole Depth (Metres)	Top of Seam	Bottom of Seam	Apparent Thickness (Metres)
NSN08-149c Core Hole	N/O Field	June 2008	148.7	5.60	57.10	51.50
				68.50	78.10	9.60
				80.80	89.10	8.30
NSN08-150c Core Hole	N/O Field	June 2008	111.5	10.25	21.00	10.75
				52.20	63.90	11.70
				84.30	97.60	13.30
NSE08-23 Rotary Hole	E Field	June 2008	250.0	42.00	44.00	2.00
				51.00	63.00	12.00
				94.00	98.00	4.00
				188.00	193.00	5.00

Coal quality data from the initial two core holes at the Sumber Coal Project indicates quality ranging from thermal coal to coking coal, similar to the coal in the Ovoot Tolgoi mine. Additional coal quality information is pending. The following table summarizes available quality data by seam for N Field drill holes NSN07-77C and NSN07-78C from 2007 drilling.

Bore ID	Seam	Thickness (metres)	Air Dried Basis (ADB)			Avg. FSI	ASTM Rank
			Ash (%)	Sulfur (%)	Kcal/kg		
NSN07-77C	N52	22.5	35.8	0.27	5049	1.0	Sub-bituminous C
	N53	17.4	12.9	0.09	7230	4.0	Bituminous hvB

	N54	15.4	25.4	0.03	6114	1.5	Bituminous hvC
	N5	26.2	28.8	0.03	5762	1.0	Sub-bituminous B
NSN07-78C	N6	5.0	23.5	1.81	6481	8.0	Bituminous hvC
	N7	4.0	17.66	1.16	6622	8.5	Bituminous hvC

FSI – Free Swelling Index;

Gene Wusaty, SouthGobi Energy's Chief Operating Officer, Coal Division, a qualified person as defined by National Instrument 43-101, supervised the preparation of the technical information in this release.

SouthGobi Energy Resources has retained The Americas Group (TAG) to manage its 2008 exploration program within SouthGobi's exploration licence area in the Western Gobi.

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 East Kalimantan, Indonesia. The company intends to supply a wide range of coal products and electricity to markets in Asia. The company is investigating the implementation of clean-coal technologies in the development of coal power-generating capacity to benefit all of its stakeholders

The company's metals division is focused on the exploration and development of its copper and gold projects in Mongolia and Indonesia.

Information contacts, SouthGobi Energy Resources

Investors: Steven Feldman/ Media Bob Williamson: +1 604 681-6799.

Website: www.southgobi.com

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, expectations that there are multiple, near-surface thermal and coking coal deposits along strike from the existing mine at Ovoot Tolgoi, the timing to bring the Sumber Coal Project resources into National Instrument 43-101 compliance, the initiation of mine planning, the application for a mining licence, future coal transportation infrastructure, the company's future ability to supply coal markets in Asia, 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 three months ended March 31, 2008, and its Annual Information Form dated March 28, 2008 which is available at www.sedar.com.