



July 7, 2009

## **SouthGobi Energy Resources achieves record coal sales**

HONG KONG – Alexander Molyneux, President of SouthGobi Energy Resources Ltd. (**SGQ: TSX-V**), announced today that a new monthly sales record of 231,566 tonnes of coal was set in June at the company's Ovoot Tolgoi mine in southern Mongolia.

### **June coal sales record**

June sales more than doubled the previous monthly record. Major factors contributing to the record were the signing of new customer contracts, mobilization by customers of larger truck fleets to transport Ovoot Tolgoi coal and continued enhancement of operations at the Shivee Khureen (Ceke) border crossing between Mongolia and China.

"The June sales success demonstrates the strength of the market in China for SouthGobi's coal and confirms that the logistical capacity exists to move large tonnages across the border," Mr. Molyneux said. "It's particularly pleasing to see that with June's contribution our total sales for the second quarter of 2009 are around three times greater than our sales for the first quarter – and we're now focused on further growth."

### **Round-the-clock production begins at Ovoot Tolgoi**

With the increasing sales rate and a reduction in its coal inventory to less than 700,000 tonnes, SouthGobi has initiated a plan to utilize full mining capacity at Ovoot Tolgoi. Since July 1, 2009, the existing mining fleet has been operating 24 hours a day, seven days a week. In addition, SouthGobi expects to have its second mining fleet commissioned in October of this year. The company is targeting coal production of 1.1–1.3 million tonnes in the second half of 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 flagship 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.

**Ivanhoe Mines (IVN: TSX, NYSE, NASDAQ)** is SouthGobi Energy Resources' largest shareholder, currently owning, directly and indirectly, approximately 80% of the issued and outstanding shares.

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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 plan to expand production, the expected timing for the commissioning of the company's second mining fleet, the company's future ability to supply coal products and electricity to 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 believes 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](http://www.sedar.com).