



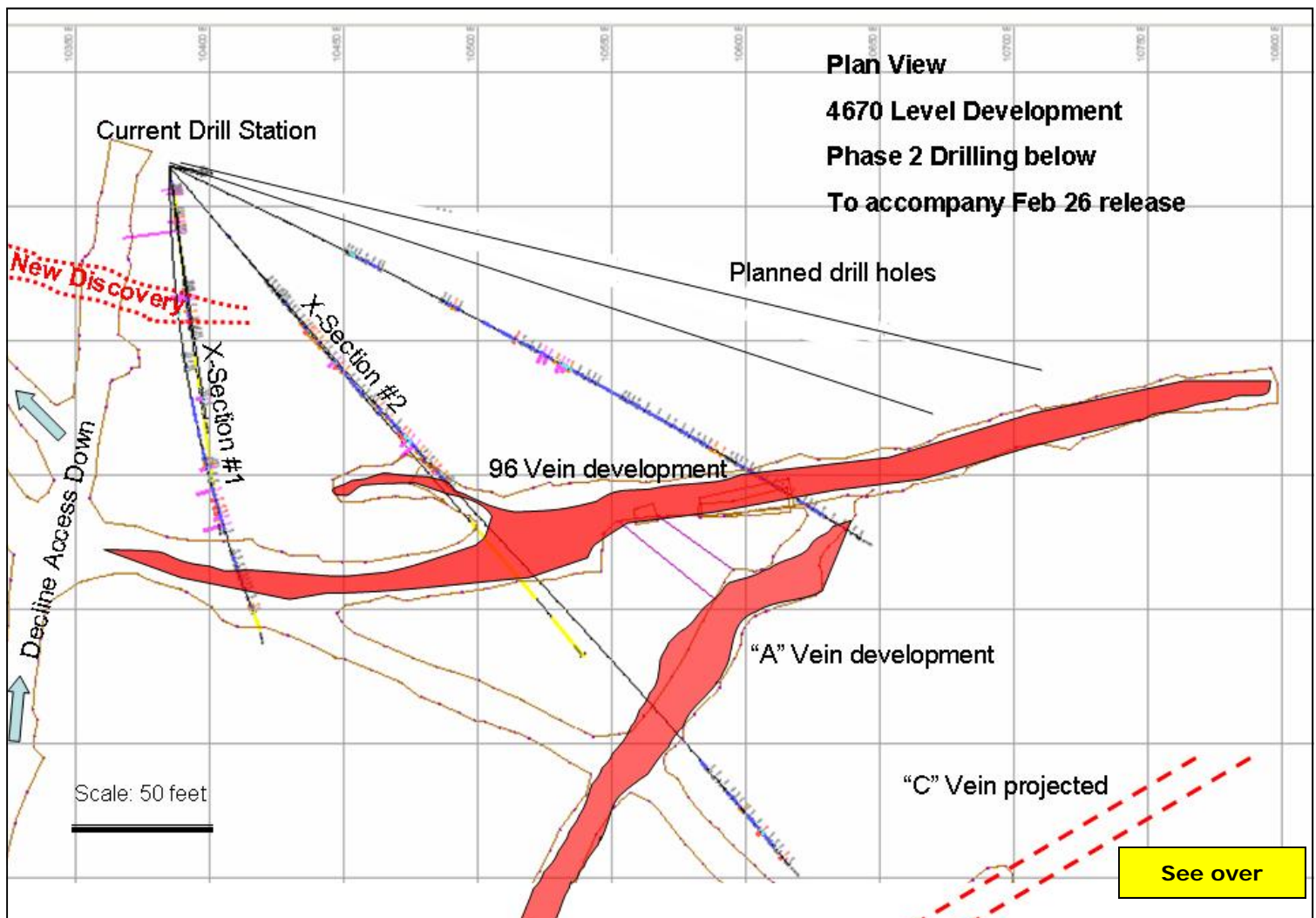
San Gold Corporation

San Gold Phase 2 Drill Program Reveals Additional New High Grade Gold Zone at Rice Lake Deep

February 26, 2008 - San Gold Corporation (SGR: TSX-V) is pleased to announce that the second phase of deep drilling below the working levels of the Rice Lake Mine has already resulted in the discovery of a new high grade zone in addition to extending down dip the high grade "96" vein, as highlighted by hole # 464-08-00, intersecting 5.4 meters (17.7 ft) of 31.1 g/tonne (0.91 oz/ton) gold. The newly discovered zone is highlighted by hole # 464-08-03 which intersected 2.7 meters (8.9 ft) of 31.8 g/tonne (0.93 oz/ton) gold. The first seven holes of the phase 2 program are reviewed below:

TSXV: "SGR" "SGRCF"

Hole #	From	To	Length	Gold g/tonne (oz/ton)	Vein / Zone
464-08-02	16.8 m	20.9 m	4.1 m (13.5 ft)	13.1 (0.38)	New
464-08-03	12.0 m	14.7 m	2.7 m (8.9 ft)	31.8 (0.93)	New
464-08-04	14.7 m	18.8 m	4.1 m (13.5 ft)	6.0 (0.18)	New
464-08-00	37.3 m	42.7 m	5.4 m (17.7 ft)	31.1 (0.91)	96
464-08-05	39.9 m	43.6 m	3.7 m (12.1 ft)	23.6 (0.67)	96
464-08-06	26.5 m	32.7 m	6.2 m (20.3 ft)	5.9 (0.17)	96
464-08-07	48.6 m	52.7 m	4.1 m (13.5 ft)	16.2 (0.47)	96





San Gold Corporation

Phase 2 Drill Program ...

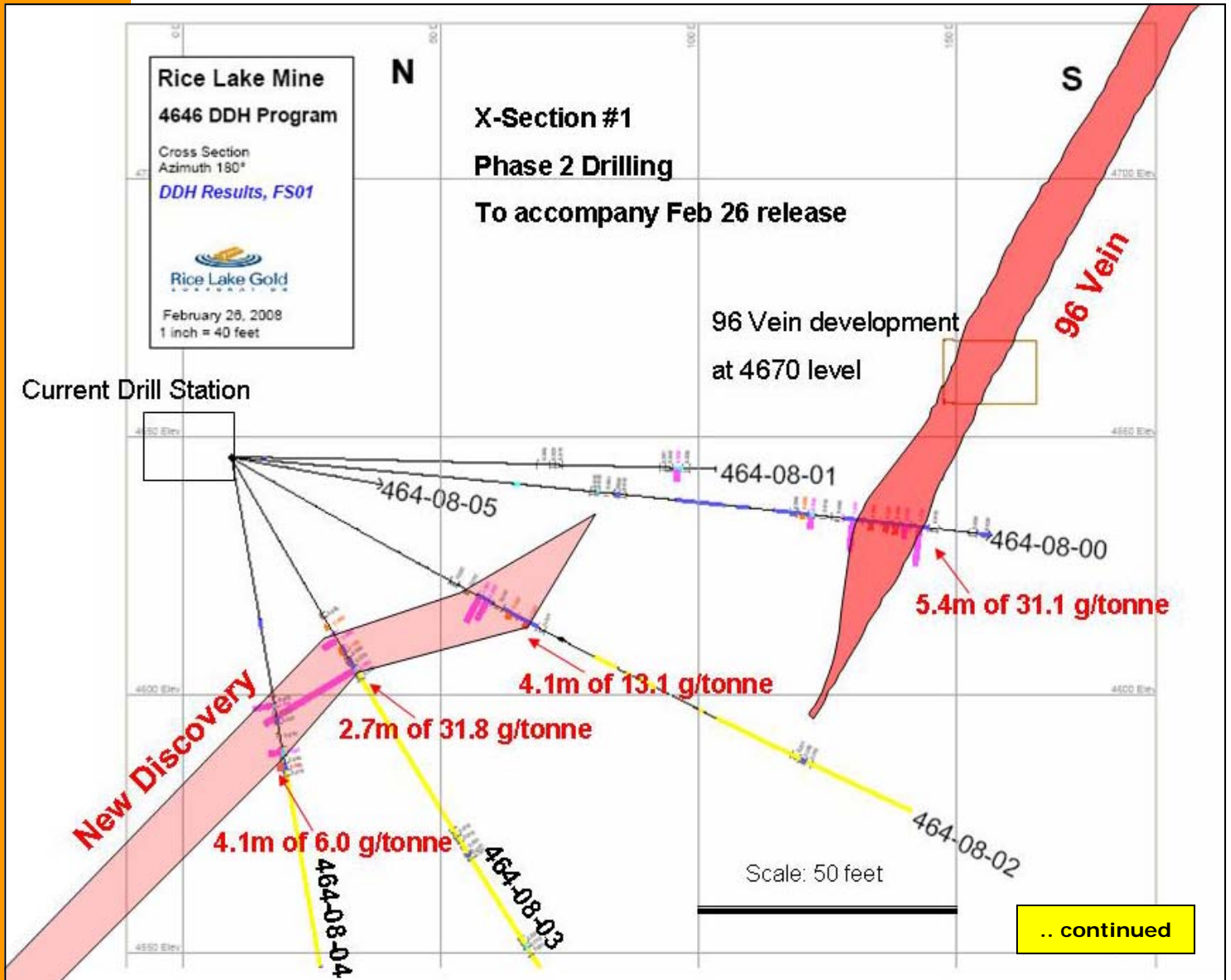
TSXV: "SGR" "SGRCF"

....., Continued

Phase 2 drilling is targeting the down dip/plunge area of the main vein sets within the host diabase or SAM unit and containing the most prominent vein sets named the "96", "A", "C" as well as others. Phase 1 drilling in 2007 intersected these veins up to 150 meters below the 4730 (5270 ft) Level, the lowest of the developed levels of the mine. All of the above listed veins remain open at depth where 2008 phase 2 drilling will continue to define and extend from the currently advancing decline access being advanced by Dumas mine contracting crews.

The 96 vein which is currently being developed at the 4670 level (5330 feet below surface), has a strike length of 200 meters, is tabular in nature and has an average dip of 70 degrees. Phase 2 drilling so far has returned four intersections with an average width of 4.9 meters (16.1 ft) and an average grade of 19.2 g/tonne (0.56 oz/ton).

The new zone is located immediately west of and parallel to the 96 vein. The recently completed lower mine development has created new drill stations near the western and deepest extent of known mineralization. This has allowed for drilling to access this area with angles giving near true widths which are estimated at over 90% of the above reported widths. Phase 2 drilling so far has returned three intersections with an average width of 3.6 meters (12 ft) and an average grade of 17.0 g/tonne (0.50 oz/ton).



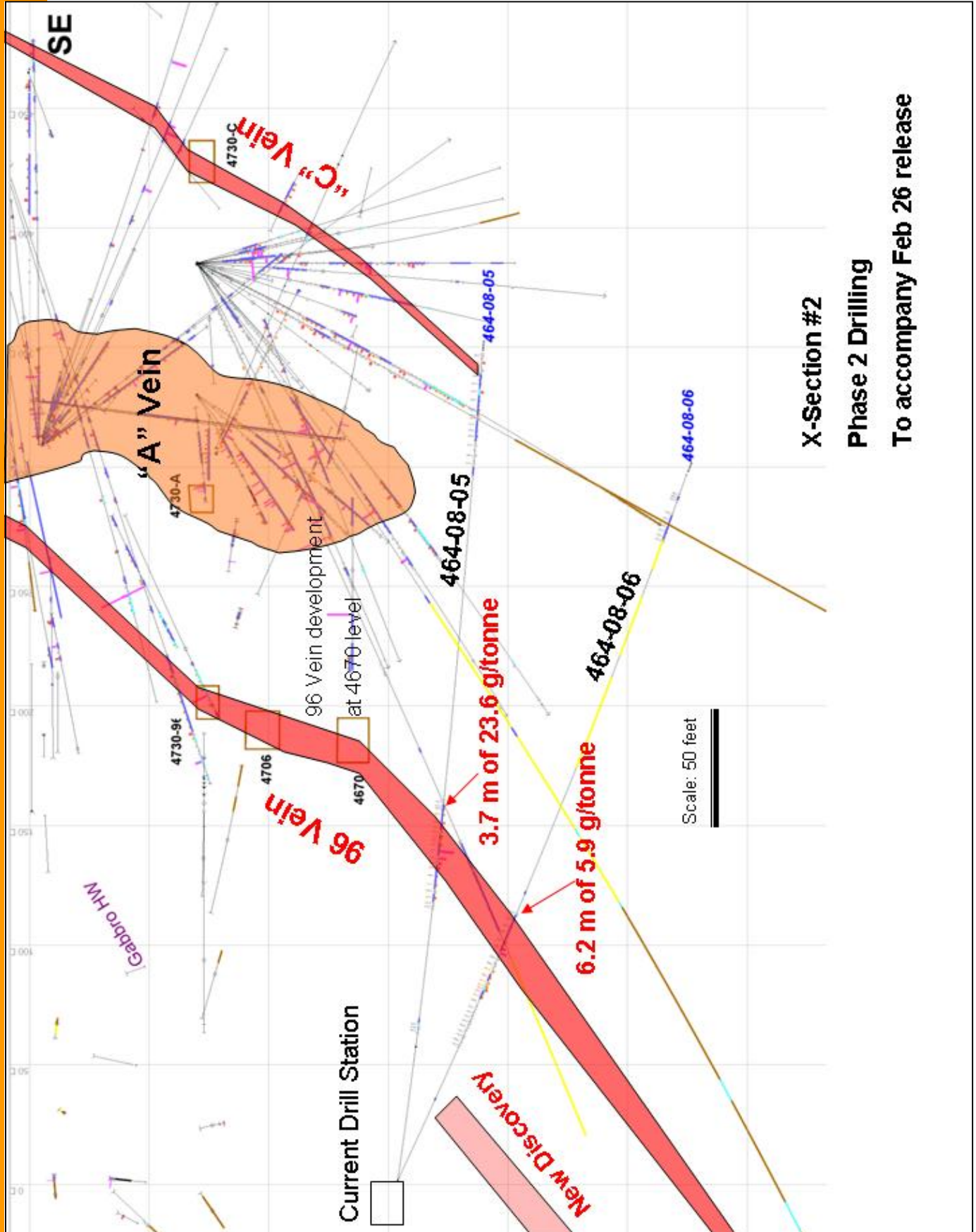


San Gold Corporation

Phase 2 Drill Program ...

TSXV: "SGR"

"SGRCF"



X-Section #2

Phase 2 Drilling

To accompany Feb 26 release