



**ASX ANNOUNCEMENT
14 JULY 2010**

Sihayo Pungkut Gold Project – New JORC Compliant Estimate

Significant Gold Grade Increase at Sihayo Resource

Highlights

- As a result of infill drilling at the Sihayo resource a new JORC compliant resource estimate has been calculated and stands at:

9.6Mt at 3.0g/t Au for 910,000 oz

- The new resource estimate has resulted in 90% of the Sihayo resource being upgraded from Inferred to Indicated Category
- Gold grade has improved by 25% from the previous JORC statement and will most likely provide significant economic improvements to the overall Sihayo Pungkut project
- Sihayo resource remains open to the north, east and south.
- Total project JORC estimate, including the Sambung resource stands at:

10.7 Mt at 2.9g/t Au for 1.01 million oz

The Board of **Sihayo Gold Limited (ASX; SIH)** is pleased to announce the new upgraded JORC compliant resource estimate of **9.6Mt at 3.0g/t Au containing 910,000 ounces of gold** for the Sihayo resource within its 75% owned Sihayo Pungkut gold project in North Sumatra, Indonesia.

The new estimate is based on an extensive infill drilling program completed between Dec 2009 and May 2010. The upgraded estimate for the Sihayo resource takes the total project JORC compliant resource to **10.7Mt at 2.9g/t containing 1.01 million ounces**.

Table 1 details the updated resource estimates.

The Company's CEO, Mr Paul Willis said "Infill drilling results and new resource figures are very encouraging and the substantial increase in the gold grade is economically very significant. This new resource estimate lays down a solid foundation for the ongoing Definitive Feasibility Study ("DFS") with the Company now confident of taking the project through to production."

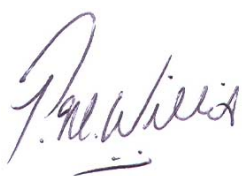
"It is also clear that the resource is constrained by drilling in a number of directions and that mineralisation is expected to extend beyond the current resource outline. Ongoing exploration / resource extension drilling will continue to seek to identify the overall resource potential of the Sihayo - Sambung area"

The new resource estimate covers an area of approximately 1.2 km by 0.6km and is based on approximately 320 diamond drill holes which were drilled on a nominal 25 metre by 50 metre grid. The mineralisation at Sihayo is a jasperoid replacement style of mineralisation hosted within a Permian sedimentary limestone and marble sequence. Drilling identified two primary sub horizontal gold zones; an upper zone at the top of the limestone unit where it is unconformably overlain by younger Tertiary sediments, and lower horizon within a more silty, limestone interbed. The infill drilling confirmed the geological continuity of these horizons at Sihayo but also highlighted a series of thicker high grade zones with grades up to **19m at 13.4g/t Au** and **26m at 9.4g/t Au** within the lower horizon.

The resource is exposed at surface at its northwestern end and extends to a depth of 200 metres along strike at its southeastern end. The resource is highly oxidized to depths of about 40 metres and there are variable levels of oxidation down to about approximately 150 metres depth.

The resource estimate was completed by international industry consultants Runge Limited based on data and geological information supplied by PT Sorikmas (75% owned subsidiary of Sihayo Gold Limited and 25% owned by PT Antam Tbk). No mining dilution has been included in the resource estimation.

Yours faithfully,
SIHAYO GOLD LIMITED



Paul Willis
Chief Executive Officer
14 July 2010

Table 1: Updated Sihayo Pungkut Project Resource Estimation

PROSPECT	Tonnage Mt	Grade Au g/t	Contained Au ounces	JORC Classification	Cut off grade Au g/t
SIHAYO	8.5	3.0	828,000	Indicated	1.2
	1.1	2.3	82,000	Inferred	1.2
Total	9.6	3.0	910,000	Indicated + Inferred	1.2
SAMBUNG	1.1	2.6	100,000	Inferred	1.5
PROJECT TOTAL	10.7	2.9	1,010,000	Indicated + Inferred	

Note 1: Rounding errors may occur

Note 2: Sambung Resource Estimate completed by Mining Assets P/L Jan 2007

Note 3: No high grade cuts were applied to the gold grade

About Sihayo Gold Limited

Sihayo Gold Limited is an ASX listed (Code SIH) mineral exploration Company which is focused on the development of a 1Moz gold resource at its 75% owned Sihayo Project in North Sumatra in Indonesia. The Company was formally Oropa Limited but has undergone a number of significant changes to its Board and Management structure in line with its renewed focus on the Sihayo Pungkut Gold project.

The Sihayo Gold Project currently has a JORC compliant resource estimate of **10.7Mt at 2.9g/t Au** containing **1.01 Moz of gold** which extends from surface to a drilled depth of 200m. Potential extensions to the resource remain in the most part untested and there remains excellent potential to significantly expand the resource base.

The Company has put together a highly experienced project team which commenced work on a Definitive Feasibility Study (“DFS”) in late 2009. In addition to the recent resource drilling, metallurgical, geotechnical, infrastructure and environmental studies are well underway with the aim of completing the DFS by the end of 2010.

Competent Persons Statements

Sihayo Gold Limited: The information in this report that relates to exploration, mineral resources or ore reserves is based on information compiled by Mr Tony Martin (BSc.Hons) who is a full time employee of TRM Consultants Pty Ltd, and is a Member of the AusIMM. Mr Martin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Martin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Runge Limited: The information in this report that relates to Mineral Resources at Sihayo is based on information compiled by Mr Robert Williams BSc, a Member of the Australian Institute of Mining and Metallurgy, who is a full time employee of Runge Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Modelling: The Sihayo deposit was estimated by Runge Limited using Ordinary Kriging grade interpolation, constrained by mineralisation envelopes prepared using a nominal 0.5g/t gold cut-off grade for the lower grade upper weathered zone, and 1.0g/t Au in the deeper higher grade zones. In all cases a minimum downhole intercept length of 2m was adopted. The block dimensions used in the model were 25m EW by 10m NS by 5m vertical with sub-cells of 6.25m by 2.5m by 1.25m. Statistical analysis of the deposit determined that no high grade cuts were required in the estimate. Grades were estimated using Ordinary Kriging. Bulk density was assigned in the model based upon the results of 853 bulk density determinations.

Note

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 Limited, 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.