



**SearchGold**

FOR IMMEDIATE RELEASE

Symbol : RSG – TSXV  
S10 – FSE

## **SEARCHGOLD SIGNS JOINT VENTURE AGREEMENT WITH SWALA RESOURCES PLC ON ARAE-GASSEL PROPERTY IN BURKINA FASO**

Montreal, May 5th 2009 – SearchGold Resources Inc. (“SearchGold” - TSXV:RSG, FSE:S10) is pleased to announce that it has entered into an joint venture agreement (“Agreement”) dated April 22<sup>nd</sup> 2009, with Swala Resources PLC (“Swala”) on the Arae-Gassel Gold Property (“Arae-Gassel”) located in northern Burkina Faso, West Africa.

The Arae-Gassel property is directly adjoining on its southern boundary Wega Mining’s Belahouro property, host of the 1.4 million ounce Inata gold deposit (5.2 million tonnes @ 2.3 g/t Au for 378,480 ounces of Measured Resources and 19.8 million tonnes @ 1.6 g/t Au for 1,018,450 ounces of Indicated Resources). Mineralization at Inata is hosted in a northeast trending shear zone which extends onto the Arae-Gassel property, where the Kerboule-Yalema shear zone has been traced over a 5 km strike length in 1999 by previous operator Orezone Resources Inc.

The objective of this Agreement is to concomitantly develop the small scale mining potential of the property while insuring the execution of a proper exploration program to evaluate the potential for the identification of a larger scale gold deposit.

Swala can acquire an interest of up to 65% in the Arae-Gassel property over five years by meeting the following conditions :

- By paying SearchGold a total of US\$ 300,000 in four installments :
  - US\$ 150,000 upon signature
  - US\$ 50,000 on the first anniversary date
  - US\$ 50,000 on the second anniversary date
  - US\$ 50,000 on the third anniversary date
- By executing a Phase 1 exploration program comprising notably 1,000 m of drilling and the construction of a pilot plant with the objective to test the metallurgical process and produce a first 1,000 ounces of gold. Once Phase 1 is duly executed and the first 1,000 ounces of gold have been produced, Swala will have acquired a 40% interest in the project. While Swala may take up to two years from the date of signature of the Agreement for the execution of Phase 1, Swala undertakes to execute the necessary balance of exploration expenditures to comply with the SearchGold-Somika agreement (see press release dated October 22<sup>nd</sup> 2008) which foresees total development expenditures of US\$ 750,000 on the Arae-Gassel property prior to September 18<sup>th</sup> 2009.
- By executing a Phase 2 development program consisting in a small-scale mechanised mining and treatment operation and by concomitantly undertaking a Phase 2 exploration program with the objective to identify one or several gold deposits totalling 800,000 to 1,200,000 ounces of gold in the measured and indicated categories on the Arae-Gassel property. If warranted by the results of Phase 2, Swala will execute a National Instrument

43-101 compliant pre-feasibility study (“PFS”) within three years of the date of signature of the Agreement. Once the PFS is completed, Swala will have acquired an additional 11% interest in the project for a total of 51%.

- Following the acquisition of a 51% interest, Swala may pursue the development of the project by executing a National Instrument 43-101 compliant bankable feasibility study (“BFS”) within five years of the date of signature of the Agreement. Once the BFS is completed, Swala will have acquired an additional 14% interest in the project for a total of 65%.

In addition, upon its acquisition of a 40% interest, and provided that SearchGold has not succeeded by that date in raising funds in the total amount of C\$500,000 since the signature of the Agreement, Swala will subscribe for SearchGold common shares in the amount of C\$150,000 at the market price. Swala may substitute any third party to make such subscription.

Swala will be project operator and a technical committee will be established to overview the development work to be executed on the property. This technical committee shall be composed of two members appointed by Swala and two members appointed by SearchGold. Swala will provide in-depth metallurgical know-how adapted to small scale mining operations in Africa. Having acquired a strong geological expertise for gold in West Africa, SearchGold will contribute to the geological development of the property through an active participation at the level of the project team conducting the work on the property.

Revenue achieved on any and all production from the pilot plant will be allocated in priority to comply with all regulatory and administrative obligations as well as to reimburse Swala fully of all pilot plant expenditures, any advances by Swala to the Phase 2 development expenditures and potential investments by Swala in SearchGold. The balance of the revenue shall be utilised for annual distribution to SearchGold and Swala, to a maximum extent of 10% for each Party (totalling 20%) of the net revenue after operating costs and funds allocated to the Phase 2 exploration expenditures.

Swala is a private, British-based, mining company involved in the acquisition and development of mining projects with a focus on gold and various metals in Africa. It is managed by a team of well respected mining professionals combining a long established association with major mining house Anglo-American and experience in setting up, developing and listing resource-focused companies.

Philippe Giaro, President and CEO, stated “We are extremely pleased to be working with Swala on this project. Our common approach is truly innovative in that both fundamental aspects of mining and exploration will be tackled simultaneously in a progressive fashion with the underlying principle that development of the property should be financially self-sustainable. This approach is especially appropriate given that venture capital market have virtually dried up during the current crisis rendering access to exploration capital more difficult as well as slowing project financing for the more advanced projects. This agreement will truly speed up the development of the Arae-Gassel property and fully unlock its geological potential.”.

West Africa, and specifically Burkina Faso, is recognized for its gold potential. High River Gold Mines Ltd. commenced production from the Taparko gold deposit in July 2007 and three more recently outlined gold deposits are Etruscan Resources Inc.’s Youga deposit; Semafo Inc.’s Mana deposit and Wega Mining Inc.’s Inata deposit. Furthermore, other historically renowned regions, such as the Poura mine, produced over 800,000 ounces of gold confirming the country’s potential.

#### **About SearchGold Resources Inc.**

SearchGold Resources is a Canadian-based mining company primarily focussed on gold deposits in Africa. Shares of SearchGold Resources Inc. are listed for trading on the TSX Venture Exchange as “RSG”; and the Frankfurt Stock Exchange as “S1O”.

**FOR FURTHER INFORMATION PLEASE VISIT <http://www.searchgold.ca> OR CONTACT:**

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