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NEWS RELEASE

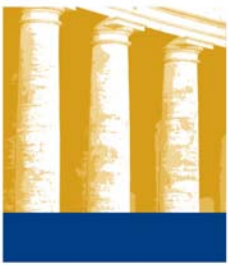
“Sargold Intersects Highest Gold Grades to Date at Sa Perrima including 14 metres of 11.75 g/ton Au.”

July 22, 2004

TSX-V: SRG

Vancouver, B.C. - **Sargold Resource Corporation** is pleased to announce that gold assay results have been received from six diamond drill holes drilled at the Sa Perrima strata-bound gold-pyrite deposit at the Furtei Gold Mine in Sardinia, Italy. The holes were drilled to provide representative samples for metallurgical testing.

<u>Hole #</u>	<u>From (m)</u>	<u>To (m)</u>	<u>Intersection (m)</u>	<u>Gold Grade</u>
SPDM 001	37	77	40	2.38 g/t
<i>incl</i>	44	54	10	5.29 g/t
SPDM 002	26	53	27	0.98 g/t
<i>incl</i>	26	34	8	1.68 g/t
<i>and</i>	70	79	9	1.15 g/t
SPDM 003	50	53	3	1.80 g/t
<i>and</i>	57	58	1	1.17g/t
SPDM 004	49	88	39	6.30 g/t
<i>incl</i>	57	71	14	11.75 g/t
SPDM 005	71	95	24	2.12 g/t
<i>incl</i>	79	95	16	2.77 g/t
<i>incl</i>	80	84	4	5.82 g/t
SPDM 006	56	88	32	1.70 g/t
<i>incl</i>	67	68	1	5.37 g/t
<i>incl</i>	85	87	2	7.16 g/t



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Grades encountered in holes SPDM 001, SPDM 004 and SPDM 005 are the highest yet recorded at Sa Perrima. Most notably SPDM 004, a step out hole drilled 10m to the north of CAR 251 (29m @ 2.02 g/t Au), indicates that the Sa Perrima mineralized area is still open to the north. Further drilling is warranted and will be undertaken to test the extent of this area.

SGS Lakefield Research of Ontario, Canada has been contracted to carry out a variety of bench tests that will provide valuable information regarding ore characteristics and other data necessary to confirm and optimize gold recoveries. The holes were designed to collect representative samples of variable ore material from throughout the Sa Perrima deposit. The Sa Perrima deposit area is currently over 500 metres long by 350 metres wide and is located approximately 150 metres from the Furtei sulphide flotation plant. The plant is capable of processing up to 1,000,000 tonnes of ore per year.

All exploration and drilling at Furtei is under the direct supervision of Mr. Dan MacInnis, P. Geo. Mr. MacInnis is the Qualified Person under National Policy 43-101 for Sargold Resource Corporation. Samples from the current drilling programme have been analyzed for gold by Fire Assay in Sardinia by Progemisa, an Italian government mining research organization. As part of the QA/QC programme, standard, blank and duplicate samples are inserted into each batch of 20 samples sent for analysis. In addition, select samples are sent to OMAC Laboratories in Ireland for check gold assaying and multi-element ICP analysis.

Please contact Karl Kottmeier, VP Corporate Communications at (604) 687-1717 or by email at karl@sargold.com for more information or visit www.sargold.com.

ON BEHALF OF THE BOARD OF DIRECTORS,

“Richard W. Warke”

Richard W. Warke
President

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this News Release.