



**SOVEREIGN GOLD
COMPANY LIMITED**

Sovereign Gold Company Limited
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Latest News

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ASX Symbol: SOC

Sovereign Gold Company is exploring a large Intrusion-Related Gold System at the Rocky River-Uralla Goldfield in New South Wales.

Sovereign Gold's project covers 2,500 square kilometres.

The project is located around the township of Uralla, 21km southwest of Armidale, New South Wales, Australia, with superb infrastructure logistics. It is close to major roads, rail, airport, labour source, university, power, and engineering.

Available production records indicate that the Rocky River-Uralla Goldfield yielded 5,193 kg (approximately 167,000 ounces) of gold mostly from Tertiary deep leads during the period 1858-1967.

Sovereign Gold's exploration objective is to locate the hard rock ore sources.

ASX Release
27th May 2011

Following is the Chairman's address to be presented at the Company's Annual General Meeting at 10.30am on 27 May 2011.

2011 AGM CHAIRMAN'S ADDRESS

On behalf of the Board of Directors, I welcome you to the first Annual General Meeting of Sovereign Gold Company Limited.

Sovereign Gold listed on 3 December 2010 having raised \$4 million through an IPO. The IPO was 15% over subscribed with subscriptions totalling \$4.6 million.

Sovereign Gold started its first drilling program in January 2011, at Martin's Shaft prospect, near Uralla in NSW. This was the first time that an explorer had drilled to discover the origin of alluvial gold won from the Rocky River-Uralla Goldfield.

The exploration program has achieved significant milestones; the existence of an Intrusion Related Gold System, known as an IRGS, has been proven and a well defined lode has been discovered at Martin's Shaft.

A 1,200-metre diamond drilling program is currently in progress which is building on our already completed RC drilling programs. A second purpose of the diamond drilling program is to target extension to the lode at depth in order to provide Sovereign with a clearer picture of the size of the IRGS lode at Martin's Shaft.

Work is now well underway to enable Sovereign Gold to determine an inaugural inferred gold resource at Martin's Shaft to JORC standards.

Sovereign Gold has a large footprint in the New England region of New South Wales, Australia with tenements covering 2,400 square kilometres.

Most of Sovereign Gold's tenements are located around the townships of Armidale, Uralla and Tamworth. This region has superb infrastructure logistics as is in close proximity to major roads, rail, airport, labour source, a university, power and engineering resources.

The region is not only highly prospective for gold and silver, but there is also considerable potential for future



discoveries in tin, antimony, and other base metal deposits.

Sovereign Gold has started a stream sediment and soil sampling program that will include Reedy Creek. We will begin by confirming the results of a 1970's soil and stream sediment sampling program which defined a large gold and antimony anomaly, before beginning a drilling program similar to that being conducted at Martin's Shaft.

The Rocky River-Uralla Goldfield is said to have had past production of 167,000 ounces; in the years 1858 to 1967. It is exciting that Sovereign Gold is the first explorer to commence a systematic exploration program to find the primary source of what was before now, only alluvial gold production.

Sovereign Gold is building expertise in the exploration of Reduced Intrusion-Related Gold Systems and is committed to become a leader in this field in Australia.

Sovereign Gold has consistently traded above its IPO price. This reflects our exploration program's almost immediate success. Recent support from investors with a medium to long-term view of Sovereign Gold's potential has improved our cash position and represents a vote of confidence in Sovereign Gold. Directors will soon consider opening the Board to accommodate the addition of a China specialist.

Your Directors are confident that 2011 will be a very exciting year for Sovereign Gold and we look to sharing its success with you.

Hon. John Dawkins AO
Chairman

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