



**SOVEREIGN GOLD
COMPANY LIMITED**

Sovereign Gold Company Limited
ACN 145 184 667

Level 2, 131 Macquarie Street
Sydney NSW 2000
Tel: +61 2 9251 7177
Fax: +61 2 9251 7500

Contact

Nick Raffan CEO

email: nraffan@sovereigngold.com.au

Latest News

www.sovereigngold.com.au

Directors / Officers

John Dawkins AO
Nick Raffan
Michael Leu
Peter Meers
Jacob Rebek

ASX Symbol: SOC

Qualifying Statement

The information in this Report that relates to Exploration Information is based on information compiled by Michael Leu who is a member of the Australian Institute of Geoscientists.

Mr Leu is a qualified geologist and is a director of Sovereign Gold Company Limited.

Mr Leu 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 for Reporting of Exploration Results, Mineral Resources and Ore Resources. Mr Leu consents to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

Targets

The potential quantity and grade of exploration targets is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Early Success following Airborne Magnetic Survey

- Arteries of vast gold-bearing fluid plumbing system revealed
- New targets identified

Confirmed:

- ✓ Large gold mineralised system
- ✓ Gold conduits long, linear, deep tapping structures with potential for gold lodes like Martins Shaft extending several hundred metres vertically.
- ✓ Potential for near surface major gold lodes and mineralised stocks at depth; gold deposits occur over kilometres of the main NE trending magnetic linear.
- ✓ Major areas of gold mineralisation associated with long conduits having channelled gold-bearing fluids.
- ✓ Significant drill targets where major magnetic lineaments intersect.

Very detailed structural imaging has been analysed following Thomson Aviation's Fixed Wing Geophysical Survey. This very detailed survey was flown at 60-metre elevation along 50 metre close spaced survey lines over 5,008 line kms.

Potential conduits for gold-bearing fluids have been identified - a system of kilometres of gold channelling conduits that define a gold mineralised system that extends at least 11km from north to south and 6.5km from east to west.

The geophysical survey has confirmed the connection of known gold mineralisation with the alteration structures that channelled and concentrated gold-bearing fluids. The magnetic data has revealed the existence of kilometres of untested gold potential. Martins Shaft, Little Gracie, Gracie, Wilsons Creek and the Goldsworth Mine are all located on major magnetic linears.

Details of area where the main north-south and north-east magnetic linears intersect clearly showing that these deep tapping conduits controlled deposition of gold-bearing fluids can be seen at Figure 2.

Interpretation of the magnetic and radiometric data is continuing together with geochemical surveys and mapping of alteration and structure.

The next drilling campaign is being planned.

For further information please contact:

Nick Raffan
CEO, Sovereign Gold Company Limited

Telephone: +61 2 9251 7177

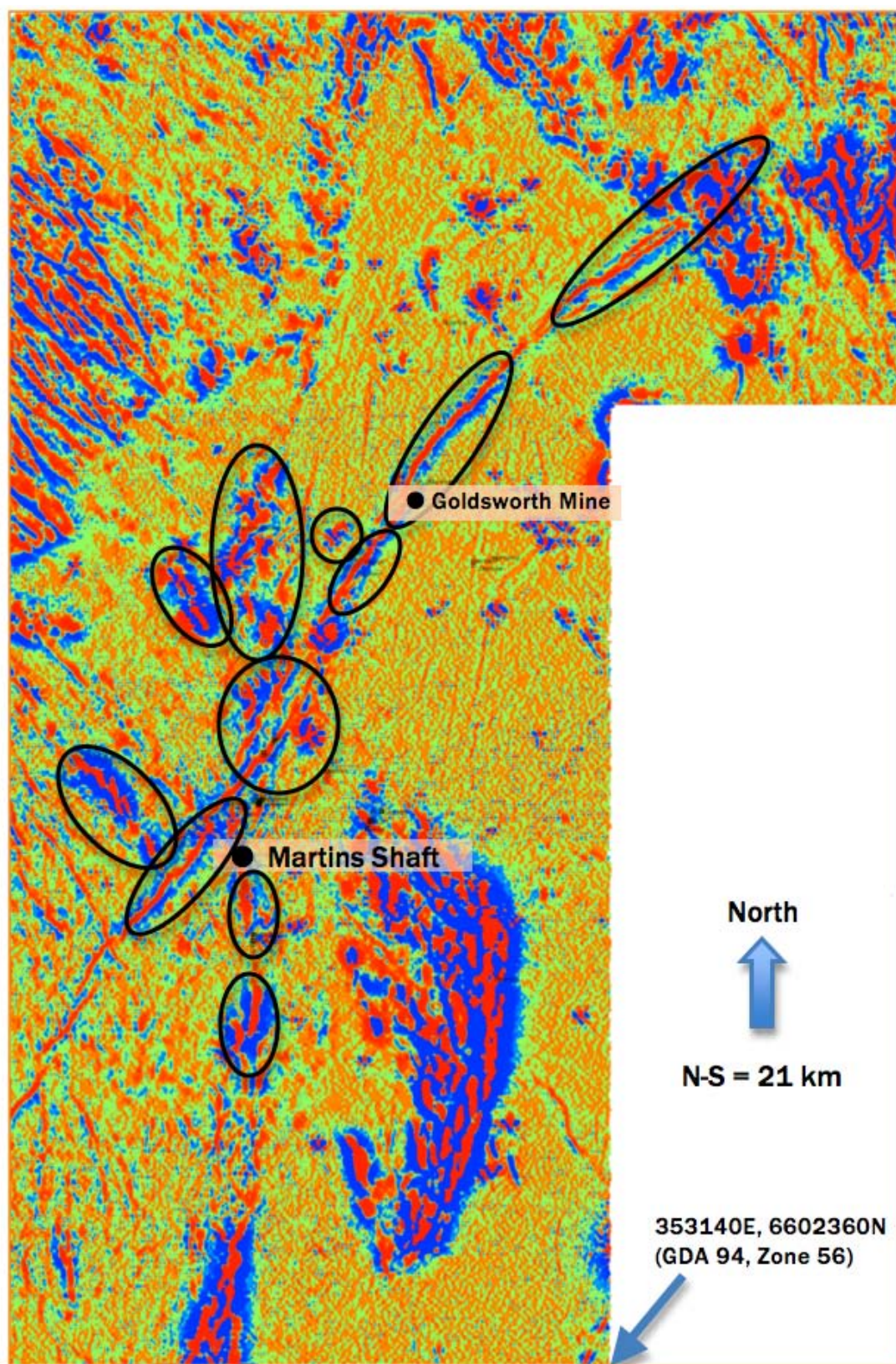


Figure 1 – Processed Magnetic Data, 1st vertical derivative

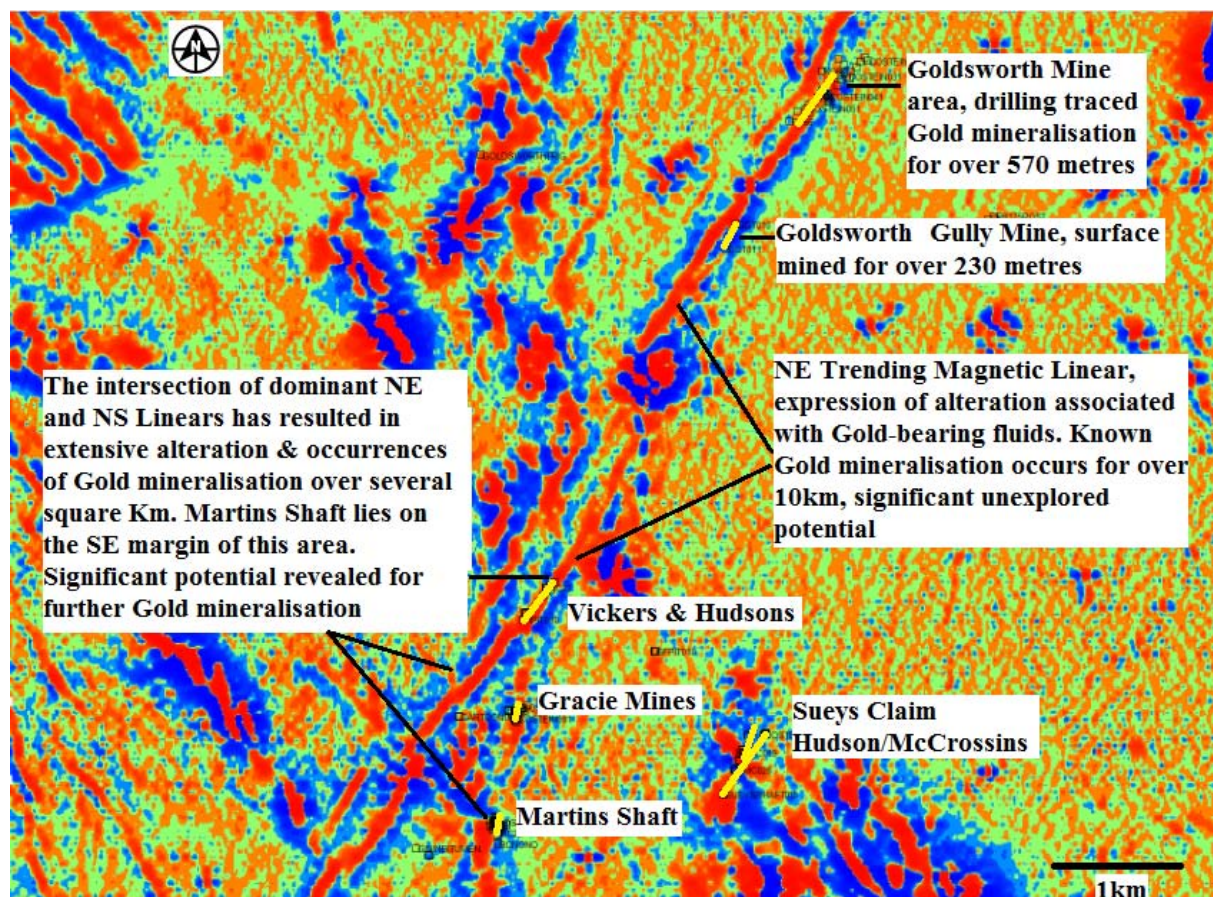
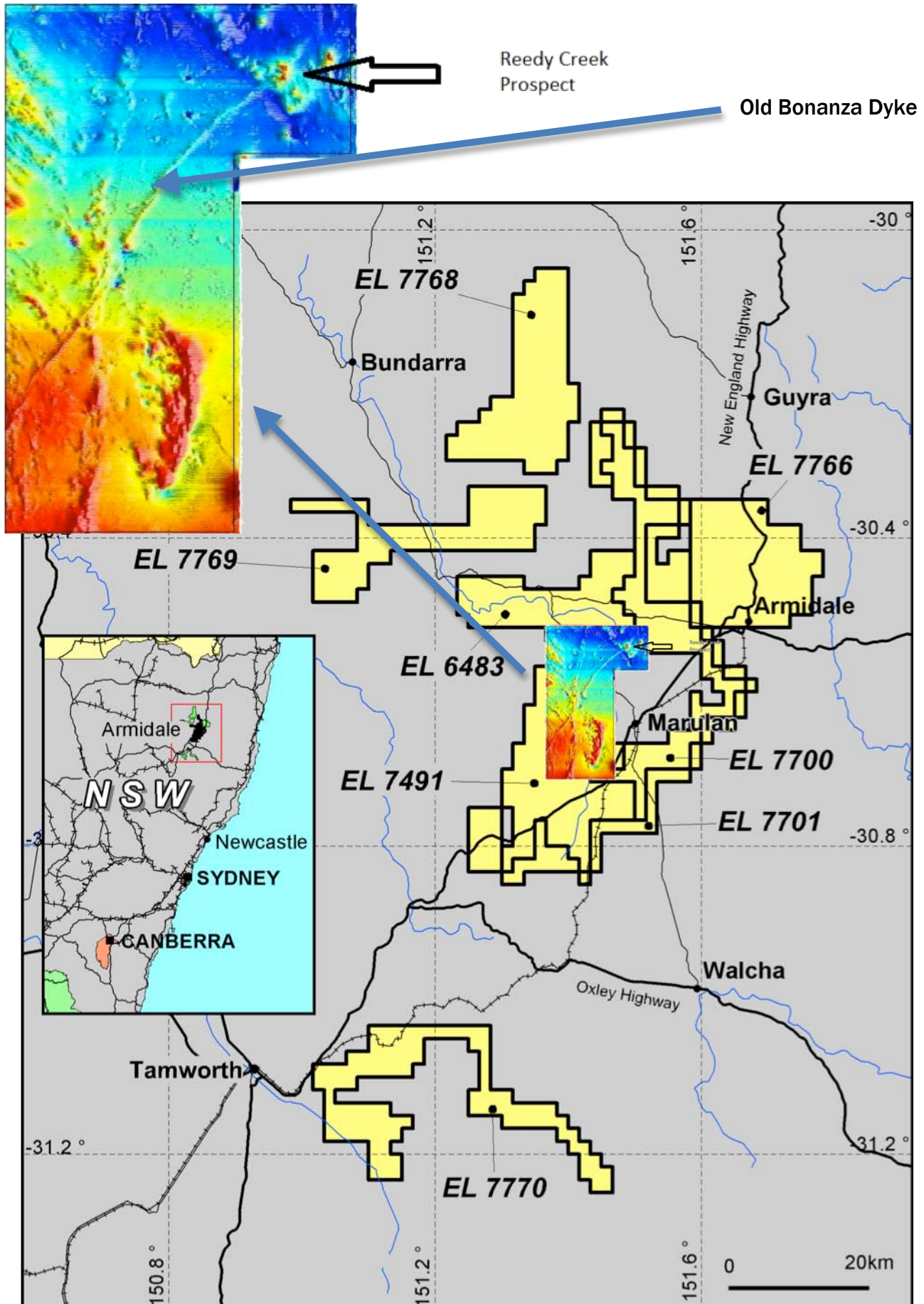


Figure 2 – Magnetic linear intersections



Sovereign Gold Armidale Tenements showing surveyed area with raw unprocessed magnetic data