



SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
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Latest News

www.sovereigngold.com.au

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ASX Symbol: SOC

Sovereign Gold Company is exploring for large Intrusion-Related Gold Systems in New South Wales.

Sovereign Gold's project area covers over 2,650 square kilometres.

The principal 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
18th April 2012

2012 drilling campaign to start

Enviro-friendly diamond drill rig purchased

- 15 separate gold lodes
- Numerous geochemical anomalies
- Versatile enviro-friendly diamond drill rig purchased

Several exciting drill targets have been prioritised for the 2012 drilling campaign

Earlier drilling has confirmed the presence of a large, newly discovered Intrusion-Related Gold System (**IRGS**) at the Rocky-River Uralla Goldfield.

'Proof of Concept' validates the potential for a major gold discovery.

Sovereign Gold has defined a multitude of targets comprising more than 15 separate gold lodes and numerous geochemical anomalies in a large mineralising system over 60 km².

Potential exists for the discovery of multiple Martins Shaft-type deposits, of similar and larger size, within this large IRGS.

Discovery of multiple exploration plays at or near surface including mineralised dykes many metres wide, mineralised structures several hundred metres long, sheeted vein deposits, high-grade narrow veins and shoots in granite and disseminated gold in granite, including:

- **Frasers Find** – "Walk-up" drill targets where high (up to 2.47 ounces) gold and silver (up to 35.69 ounces) grades were obtained in recent sampling of mineralised structure over 250 metres long
- **Melvaines Mine** – sheeted veins in dyke like Martins Shaft, assays from dumps up to 13.75 grams per tonne gold
- **Sueys Hudsons-McCrossins** – 600M long gold-bearing structure
- **Newly discovered gold-bearing structure** - several hundred metres long, up to 100 metres wide, with significant geophysical and geochemical anomalies, rock chips up to 7.6g/t gold

are to be drilled.

Phase one of the 2012 drilling program has been formulated to advance the conceptual exploration target model of several satellite mineralised zones (resource blocks) of 50,000 to 100,000 ounces Au each along the mineralised structures within the field, with a global target hosting 750,000 to 1.5M oz. of gold.



Enviro-friendly drill rig purchased

Sovereign Gold is committed to conducting its exploration programs by following industry best practice in accordance with published government guidelines and codes.

Sovereign Gold has purchased a small footprint (2.25 metres wide x 5.25 metres long) MAC 200 custom-built wire line diamond-drilling rig.

The MAC200 is mounted on a 4WD Hilux chassis and due to its small footprint represents a high standard of environmental management, maximising the use of existing tracks for access where possible and alleviating the need for costly drill pads.

“Drilling is the single largest cost in exploration but also the best method for rapidly adding value.

“The MAC200 is equipped with hydraulic levelling jacks that provide a stable platform for drilling operations. It offers a high mobility on site and is quick to set up. Through being self-sufficient, Sovereign Gold substantially reduces costs of drilling whilst expediting rapid mobilization between target sites,” said Sovereign Gold’s CEO, Michael Leu.

The MAC200 drill unit is very versatile:

- Two speed top head drive
- Ability to function as high speed core rig
- Slow speed auger or small RAB unit
- Has the capability of changing the rotary action to a top head hammer configuration.

The estimated cost per metre of diamond core is now approximately 50% that of external contracted drilling services.

Sovereign Gold has engaged a local Uralla Driller to operate the MAC200.

For further information please contact:

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Exploration Targets

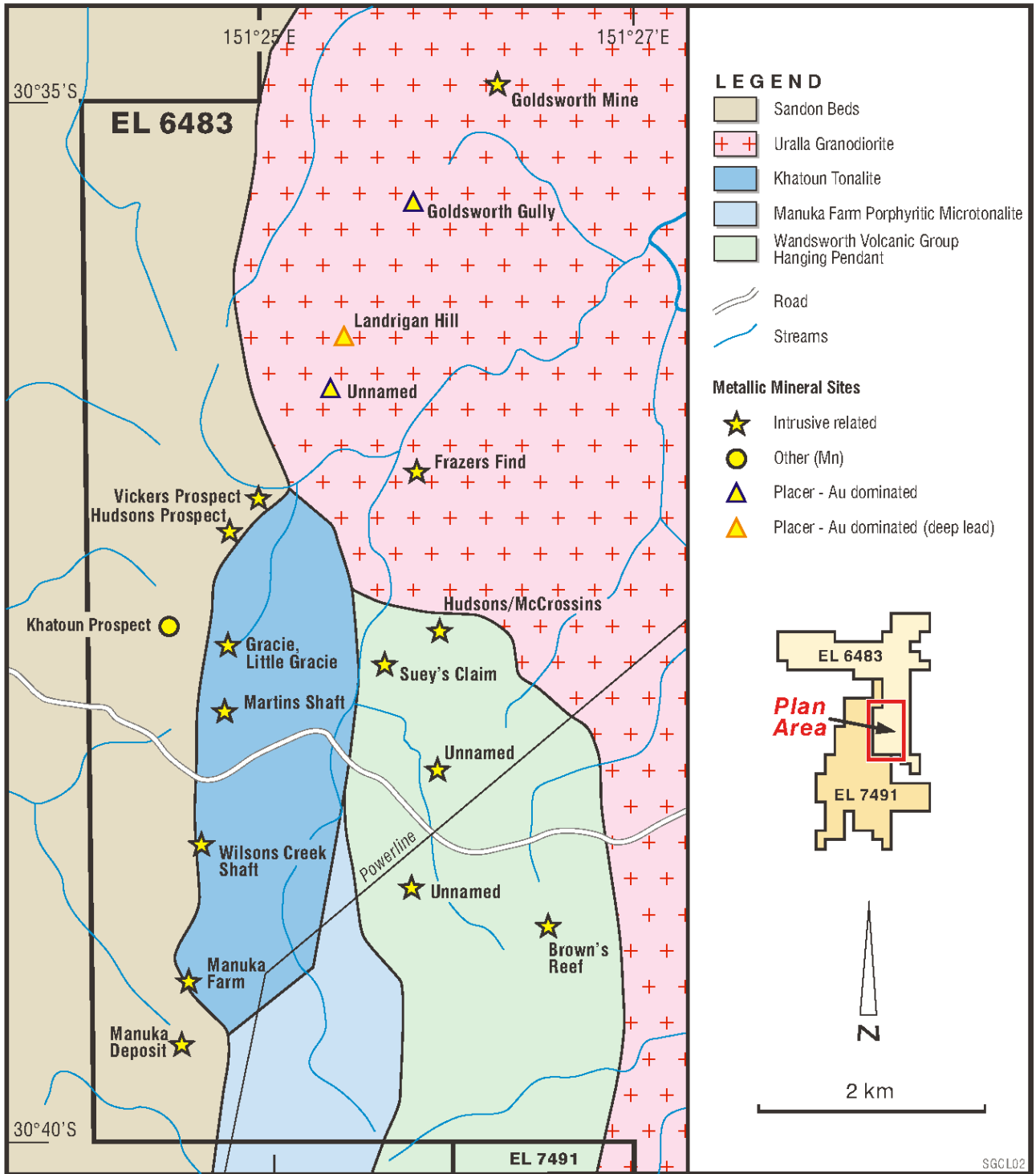
The potential quantity and grade of exploration targets is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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.

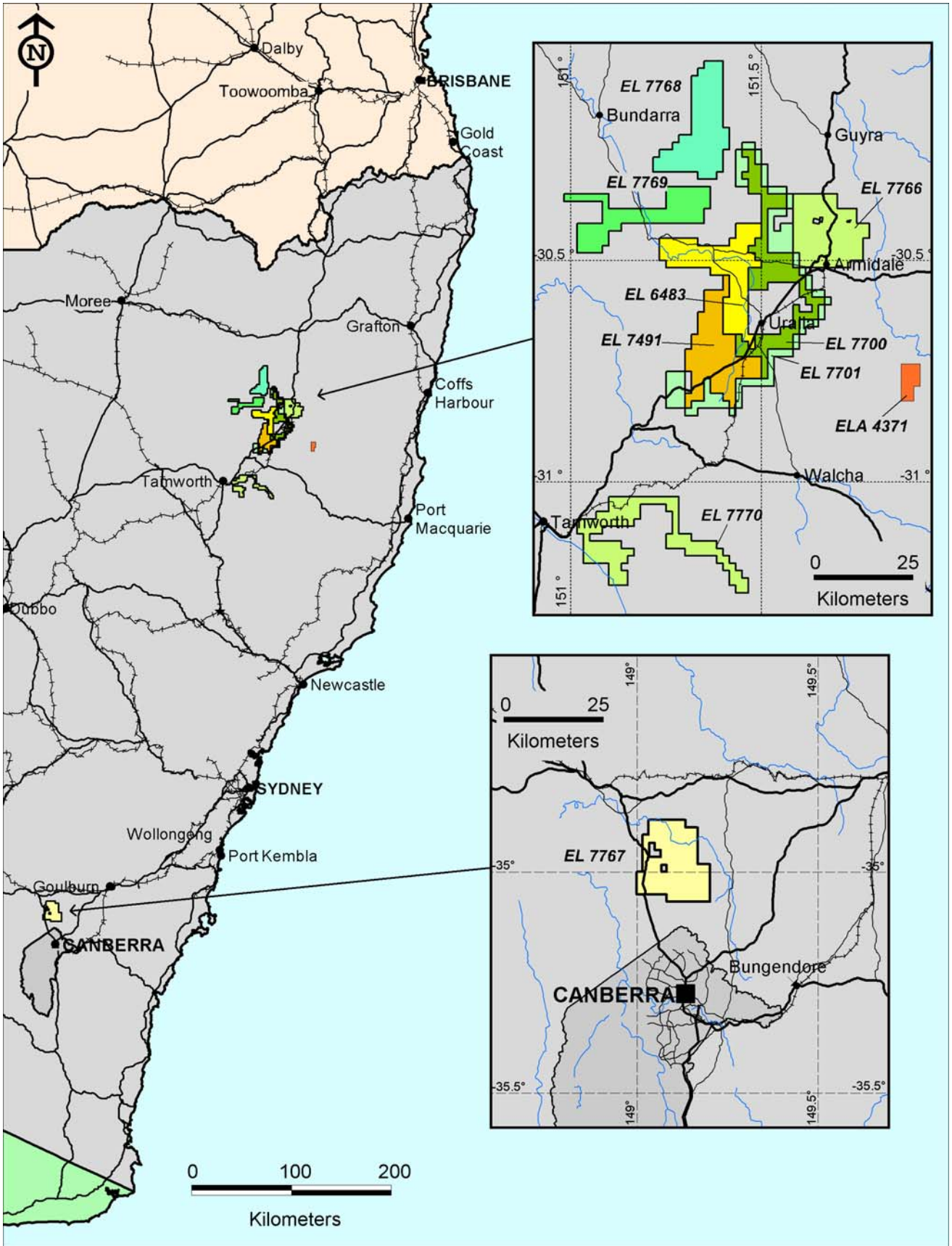
Mr Leu is a qualified geologist and is a director of Sovereign Gold Company Limited.

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.



2012 location of targets named in this release

SGCL02



Sovereign Gold Tenements