



SOVEREIGN GOLD
COMPANY LIMITED

ACN 145 184 667
Level 2, 131 Macquarie Street Sydney NSW 2000
T +612 9251 7177 F +612 9251 7500

27 April 2012

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sirs,

Re: Annual General Meeting

Please be advised that the Annual General Meeting of Sovereign Gold Company Limited will be held at the Company's registered office, Level 2 Hudson House, 131 Macquarie Street Sydney NSW 2000 on Monday 28 May 2012 at 3.00pm.

A copy of the notice of Annual General Meeting together with the accompanying explanatory statement and proxy form as despatched to shareholders is attached.

In addition we confirm that the year 2011 Annual Report of the Company comprises only those documents previously provided to the ASX.

Yours faithfully,

Henry Kinstlinger
Company Secretary



SOVEREIGN GOLD
COMPANY LIMITED

ACN 145 184 667
Level 2, 131 Macquarie Street Sydney NSW 2000
T +612 9251 7177 F +612 9251 7500

26 April, 2012

«REG_ADDRESS_LINE_1»
«REG_ADDRESS_LINE_2»
«REG_ADDRESS_LINE_3»
«REG_ADDRESS_LINE_4»
«REG_ADDRESS_LINE_5»
«REG_ADDRESS_LINE_6»

Dear Shareholder,

Sovereign Gold Company has progressed well over the past year, and it is with pleasure that we provide the enclosed Annual General Meeting pack containing your Notice of Meeting (with the Explanatory Statement) and your proxy form.

Shareholders are encouraged to attend, but if you can't, please consider appointing a proxy so that your interests are represented. Details of the matters to be put to the meeting are contained in the enclosed Notice of Meeting and Explanatory Statement.

If you would prefer to receive future Annual General Meet packs by electronic mail please complete the section below and return it with your proxy form.

Thank you for your continued support of Sovereign Gold Company Limited.

Yours faithfully

Michael Leu
Chief Executive Officer

Please remove me from the preference to have the Company's Notice of Meeting and Explanatory Statement pack sent to me by mail.

Instead I elect to have all future Notice of Meeting and Explanatory Statement packs sent to me electronically to the following email address:

_____ @ _____



SOVEREIGN GOLD
COMPANY LIMITED

ACN 145 184 667

Level 2, 131 Macquarie Street Sydney NSW 2000

☎ +612 9251 7177 ✉ +612 9251 7500

NOTICE OF THE ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

The Annual General Meeting of
Sovereign Gold Company Limited
ACN 145 184 667
will be held at Hudson House, Level 2
131 Macquarie Street, Sydney NSW 2000
at 3pm on Monday 28 May 2012.

NOTICE OF THE ANNUAL GENERAL MEETING

Sovereign Gold Company Limited ACN 145 184 667

Notice is hereby given that the Annual General Meeting of members of Sovereign Gold Company Limited ('Company') will be held at the registered office of the Company, Hudson House, Level 2, 131 Macquarie Street, Sydney NSW 2000 at 3pm on Monday 28 May 2012.

Ordinary Business

1. Financial Statements and Reports

To receive the Company's financial statements and the reports of the Directors and the Auditors thereon for the financial year ended 31 December 2011.

2. Resolution 1: Ordinary resolution to approve Remuneration Report

To consider and, if thought fit, pass the following resolution **as a non-binding resolution**.

"That the Directors' Remuneration Report for the year ended 31 December 2011 be and is hereby approved for the purposes of the Corporations Act 2001".

NOTE: this Remuneration Report is set out on pages 20 to 22 of the Directors' Report contained in the 2011 Annual Report in accordance with Section 250R(3) of the Corporations Act 2001.

Voting Exclusion Statement

In accordance with the ASX Listing Rules and the Corporations Act 2001, the Company will disregard any votes cast on Resolution 1 of this Notice of Annual General Meeting by or on behalf of a member of the Key Management Personnel (**KMP**) whose remuneration is included in the remuneration report attached to the 2011 Annual Report or a Closely Related Party of such a member (each an **Excluded Person**).

The Company will not disregard any vote cast by the Chair of the meeting as a proxy, if the proxy expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP. Shareholders may choose to direct the Chair to vote in favour of Resolution 1, against Resolution 1 or to abstain from voting.

3. Election of Directors

a) Resolution 2: Ordinary resolution to elect the Qinjing Qiu as a Director

To consider and, if thought fit, pass the following resolution **as an ordinary resolution**.

"That Qinjing Qiu, retiring in accordance with Article 49.1.1 of the Company's Constitution, be elected as a Director of the Company".

Note: The qualifications and experience of Mr. Qinjing Qiu is provided in the 2011 Annual Report tabled at this Annual General Meeting.

b) Resolution 3: Ordinary resolution to re-elect Mr. Rado Jacob Rebek as a Director

To consider and, if thought fit, pass the following resolution **as an ordinary resolution**.

"That Mr. Rado Jacob Rebek, retiring by rotation in accordance with Article 49.1.3 of the Company's Constitution, be re-elected as a Director of the Company".

Note: The qualifications and experience of Mr. Rado Jacob Rebek is provided in the 2011 Annual Report tabled at this Annual General Meeting.

4. Resolution 4: Ordinary resolution to issue securities to Sophisticated and Professional Investors

To consider and, if thought fit, pass the following resolution **as an ordinary resolution**.

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the directors are authorised to issue up to 15,000,000 shares in the Company, by way of placements, to sophisticated, eligible and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s708(8), s708(10) or s708(11) of the Act), at an issue price of not less than eighty percent (80%) of the average market price of the shares of the Company calculated over the last 5 days on which sales in the shares were recorded before the day on which the issue is to be made, and otherwise on the terms and conditions set out in the explanatory statement attached hereto.”

Note: The shares will be issued no later than three (3) months from the date of the meeting.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by the participants in the proposed share issue under this Resolution 4 or a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if Resolution 4 is passed or an associate of any of those persons. However, the Company will not disregard the vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

5. Other Business

To transact any other business which, in accordance with the Company's Constitution and the Corporations Act, may be legally brought before an Annual General Meeting.

By Order of the Board of Directors



Henry Kinstlinger
Company Secretary

DATED: 20 APRIL 2012

This Notice of Meeting is accompanied by an Explanatory Statement that explains the purpose of the Meeting and the resolutions to be considered at the Meeting.

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide shareholders of Sovereign Gold Company Limited (**the Company**) with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

If you have any queries regarding the matters set out in this Explanatory Statement or the preceding Notice please contact the Company or your professional advisor.

1. Financial Statements and Reports

The Corporations Act 2001 requires the Financial Report, Directors' Report and Auditor's Report for the past financial year to be tabled before the Annual General Meeting, and the Company's Constitution provides for such reports to be received and considered at that meeting. Neither the *Corporations Act 2001* nor the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such Reports. The Annual General Meeting provides a forum for shareholders to ask questions and make comments on the Company's reports and accounts and on the business and operations of the Company for the year ended 31 December 2011.

In addition, shareholders may, at the meeting, ask questions of the auditor in relation to the following matters:

- the conduct of the audit;
- the content of the auditor's report;
- the accounting policies adopted by the Company for the preparation of the financial statements; and
- the auditor's independence in relation to the above items.

2. Resolution 1 – Adoption of Directors' Remuneration Report

In accordance with section 250R(2) of the Corporations Act at a listed company's annual general meeting, the Board is required to present the Company's Remuneration Report to shareholders for consideration and adoption. Voting in relation to Resolution 1 is advisory only and does not bind the Directors or the Company to the outcome passed.

The resolution gives members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting. The Board will take into account the outcome of the vote when considering the future remuneration arrangements of the Company.

The Remuneration Report:

- Sets out the remuneration arrangement for each Director and for each of the KMP of the Company; and
- Explains the Board's policies in relation to the objectives and structure of remuneration.

Proxy Restriction

Pursuant to the Corporations Act, if the Chairman or another member of Key Management Personnel (**KMP**) or any Closely Related Party (**CRP**) is appointed as a proxy to vote on Resolution 1, express instructions/directions must be given so that the proxy knows how to vote.

If no directions on how to vote on Resolution 1 are provided, the Chairman, or another KMP or any CRP is prevented by the Corporations Act from exercising the undirected vote and the vote will not be counted in relation to Resolution 1.

Consequence of voting against Resolution 1

The Corporations Act amendments now set out a “two strikes” re-election process. If the Company’s Remuneration Report receives a “No” vote of 25% or more of the votes cast at two consecutive annual general meetings, then the Company, as provided under section 250(V) of the Corporations Act 2001, must put a resolution (‘spill resolution’) to the second annual general meeting providing shareholders the opportunity to vote on whether the Company must hold another general meeting (‘spill meeting’) to consider the re-appointment of all directors (other than the Managing Director). Should a spill resolution be approved by a simple majority of 50% or more eligible votes cast, then a spill meeting must be held within 90 days of the second Annual General Meeting (Spill Meeting) where:

- a) all the Directors of the Company who were directors at the time of the second annual general meeting (other than the managing director) are required to stand for re-election; and
- b) a resolution to re-elect the Directors referred to in a) will be put to vote at the Spill Meeting.

3. Election of Directors

a) Resolution 2 - Election of Qinjing Qiu as a Director

Clause 49.1.1 of the Company’s Constitution states that the Directors may at any time appoint a person to be a Director and Directors so appointed hold their office until the conclusion of the next Annual General Meeting of the Company whereby they are eligible for election.

Mr. Qinjing Qiu was appointed on 10 June 2011 as an addition to the existing directors. In accordance with Clause 49.1.1 Mr. Qinjing Qiu offers himself for election.

b) Resolution 3 - Re-election of Mr. Rado Jacob Rebek as a Director

Mr. Rado Jacob Rebek retires by rotation in accordance with Clause 49.1.3 of the Company’s Constitution which provides that one third of other directors (not counting the managing director) must automatically retire at the end of each Annual General Meeting. The Directors to retire under Clause 49.1.3 are those directors who have been longest in office since their appointment on registration or their last election.

Being eligible, Mr. Rado Jacob Rebek offers himself for re-election.

4. Resolution 4 – Approve issue of shares to Sophisticated or Professional Investors

Resolution 4 seeks shareholders’ approval, for the purposes of ASX Listing Rule 7.1 and for all other purposes, to authorise the directors to issue, by way of placements, up to 15,000,000 shares to sophisticated, eligible and/or professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s708(8), s708(10) or s708(11) of the Act), at an issue price of not less than eighty percent (80%) of the average market price of the shares calculated over the last 5 days on which sales of the shares were recorded before the day on which the issue is to be made. For example, if the five day average market price of shares at the time at which the issue is to be made is 25 cents, the shares would be issued at not less than 20 cents.

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12-month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Further, equity securities issued with approval of holders of a company’s ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

As at the date of this explanatory statement, the issued share capital of the Company before and after the issue of the shares the subject of this Resolution 4 will be as follows:

Current issued Share Capital	77,000,000
Issue of Shares to Sophisticated, Eligible and Professional Investors	15,000,000
Total new issued Share Capital	92,000,000

The Company therefore proposes to issue 15,000,000 shares to sophisticated, eligible and professional investors, which represents 19.48% of its current issued capital (of 77,000,000 shares). The Company therefore seeks shareholder approval to issue the shares to sophisticated and professional investors pursuant to Listing Rule 7.1.

The following information is provided in accordance with Listing Rule 7.3:-

- a) the (maximum) number of shares the Company will issue to sophisticated, eligible and/or professional investors is 15,000,000 shares;
- b) the shares will be issued within three months of the date of this annual general meeting;
- c) the issue price(s) for the shares will be not less than eighty percent (80%) of the average market price of the shares calculated over the last 5 days on which sales in the shares were recorded before the day on which the issue(s) are to be made;
- d) the names of the allottees of the shares are not known at this time: the shares will be issued to sophisticated, eligible and/or professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s708(8), s708(10) or s708(11) of the Act), none of whom will be related parties;
- e) the shares will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company and application will be made for quotation of these Shares on the Australian Securities Exchange;
- f) the purpose of the proposed share issue is to raise funds that will be used for providing ongoing working capital for the further development of the projects of Sovereign Gold Company Limited and its subsidiaries;
- g) the Company anticipates issuing the shares progressively as and when investors desiring to invest in the Company are identified (but in any event within three months of the date of this annual general meeting).

Voting:

The Company has determined that any person registered as a member at 5.00pm Sydney time on 26 May 2012 is entitled to attend and vote at the Annual General Meeting.

**SOVEREIGN GOLD COMPANY LIMITED
(ACN 145 184 667)**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS
PROXY FORM**

Please complete, sign and return this document to:

To: The Secretary
Sovereign Gold Company Limited
Level 2, Hudson House
131 Macquarie Street
SYDNEY NSW 2000

email executed form to: lfisher@higl.com.au

fax executed form to: 02 9251 7500

I/Webeing a member of Sovereign Gold Company Limited appoint:

Name of proxy:

Address of proxy:

Or in his or her absence (or if left blank), the chairman of the meeting as my/our proxy to attend, vote and otherwise act on my/our behalf at the Annual General Meeting of the Company to be held on 3pm on Monday 28 May 2012 and at any adjournment of that meeting.

If you wish to appoint the proxy in respect of only a specified number of your shares you must insert that number in the appropriate space below. In the absence of any such specification, the proxy will be taken to have been appointed in respect of all of your shares.

My/our proxy is authorised to exercise the vote rights in respect of of my/our shares.

RESOLUTIONS

FOR AGAINST ABSTAIN

Resolution 1 – Ordinary Resolution to approve Remuneration Report

Resolution 2 – Ordinary Resolution to elect Mr. Qinjing Qiu as a Director

Resolution 3 – Ordinary Resolution to re-elect Mr. Rado Jacob Rebek as a Director

Resolution 4 – Ordinary Resolution to approve the issue of securities to Sophisticated and Professional Investors

Proxy Instructions

If you wish to direct how your votes are to be cast, place mark (X) in the appropriate box above.

Unless otherwise directed, the proxy holder may vote as he/she thinks fit, or abstain from voting.

The Chairman intends to vote all undirected proxies that he receives in favour of each resolution to be brought before the meeting, except where the Chairman is expressly forbidden to do so, under the *Corporations Act 2001*.

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box: .

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolution/s and that votes cast by the Chairman of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

SIGNATURE OF MEMBER (S)

Individual or Member 1	Member 2	Member 3
Sole Director/ Company Secretary	Director	Director/Company Secretary

Date: _____

Contact Name: _____ Contact Phone (daytime): _____

Notes on Proxies

1. A Member entitled to attend and vote at this meeting is entitled to appoint not more than two proxies to attend and vote in his stead pursuant to the Constitution.
2. If a Member appoints one proxy only, that proxy shall be entitled to vote on a show of hands, but if a Member appoints two proxies neither shall be entitled to vote on a show of hands.
3. Where more than one proxy is appointed, each proxy must be appointed to represent a specified portion of the Member's voting rights.
4. A proxy need not be a Member.
5. A proxy form must be signed by the Member(s) or the Member's attorney or, if a corporation, be executed in accordance with Section 127 of *the Corporations Act 2001* or by its attorney.
6. The instrument appointing a proxy and the power of attorney (if any) under which it is signed, or a notarially certified copy of the power and a declaration by the attorney of its non-revocation, must be deposited at the registered office of the Company or sent by facsimile to (61 2) 9251 7500 not less than 48 hours before the person named in the instrument purports to vote pursuant to it.