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Media Release



SOVEREIGN GOLD
COMPANY LIMITED

Strategic acquisition spurs resource growth for gold junior

- Gossan Hill acquisition expands geographical footprint and provides JORC resource
- Sovereign now targeting multi-million ounce gold resource base across all projects
- Unique strategic partnership with Chinese SOE to fund \$21m over 24 months
- Stage set for rapid resource expansion and accelerated pathway towards project development and production

New South Wales-based gold explorer Sovereign Gold Company Ltd (SOC:ASX) has announced that it would acquire Gossan Hill Gold Limited, an unlisted exploration company with several advanced gold prospects in New South Wales.

The acquisition of Gossan Hill will provide multiple benefits for the Sovereign, including an expanded exploration footprint in New South Wales with an additional three quality project areas within 8 Exploration Licences. The Gossan Hill prospects are all in New South Wales, centred on known gold occurrences, some with historic production. The prospects contain more than 20 individual quality targets to be tested.

Previous exploration has indicated significant resource upside at the Gossan Hill properties and in particular, the Hobbs deposit at Mt Adrah should enable Sovereign Gold to rapidly deliver resource growth and leverage off its experience exploring for intrusion related gold systems (IRGS) in New South Wales.

Importantly, the Hobbs deposit is believed to belong to the intrusion-related gold deposit category. It lies on the Gilmore Suture, north west of the old gold mining centre of Adelong and contains a JORC resource of 239,000 ounces at 1.13g/t Au to a depth of 120m at a cut-off of 0.5g/t Au.

Notably, a 313m vertical drill hole at the deposit returned continuous gold at 1.43g/t Au. Metallurgical test work showed high gold recoveries of 92% - a strong indication of the deposit's commercial potential.

The strategic acquisition of Gossan Hill provides a unique development opportunity for Sovereign to complement an exciting mix of projects across New South Wales. It enhances the Company's geographical footprint encompassing quality IRGS targets, provides significant technical synergies and a JORC Resource with significant resource expansion potential.

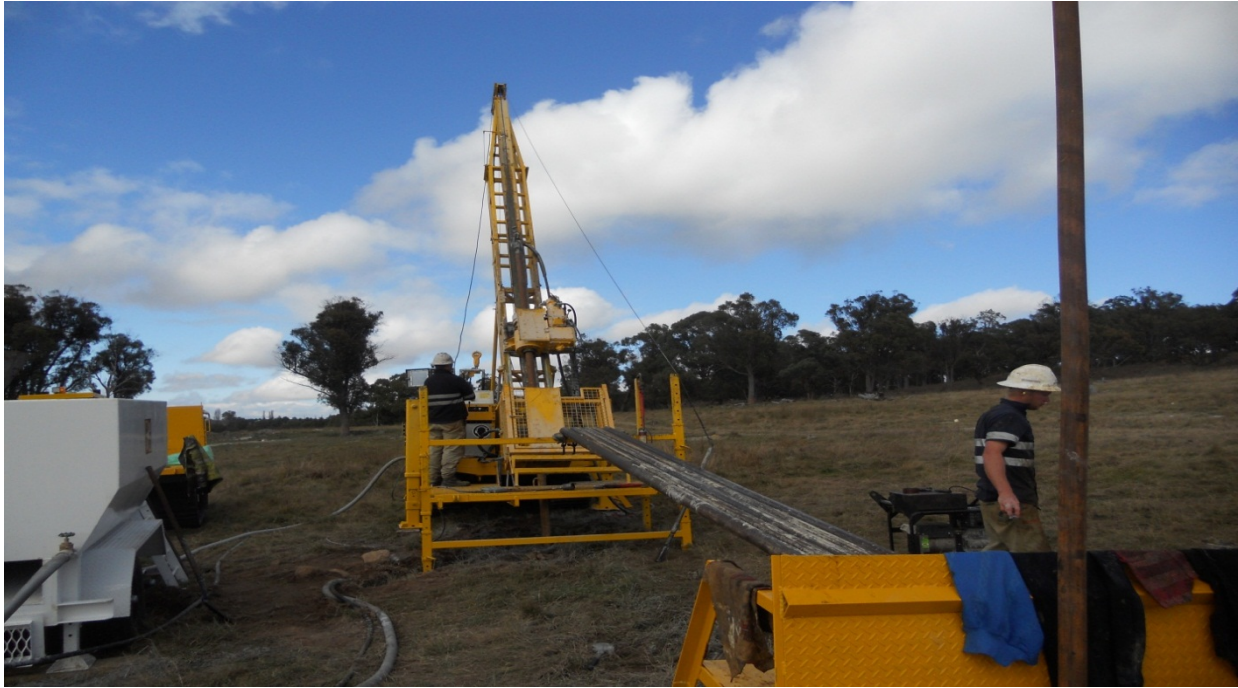
The acquisition of Gossan Hill allows Sovereign to utilise its expertise in exploring for large IRGS projects in New South Wales, taking advantage of significant technical synergies for the early identification of key diagnostic features of these targets. Knowledge gained through exploration at the Company's Martins Shaft project will greatly assist in exploring and expanding the Gossan Hill projects.

Sovereign Gold Managing Director Michael Leu said that achieving a maiden JORC Resource was a key milestone for any minerals exploration company. "Coupled with existing projects, Sovereign is now well positioned as a high growth gold exploration company with multi-million ounce resource potential over the medium term," Mr Leu said.

The acquisition of the Mt Adrah project reinforces the growing commitment and focused strategy to build Sovereign's gold inventory and position the Company as a multi-million ounce mid-tier gold developer in the medium term.

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For more information or to arrange an interview with Michael Leu of Sovereign Gold Company, please contact Michael Lovesey, Mercury Consulting on 0417 955 916 or michael.lovesey@mercuryconsulting.com.au



Drilling is underway at the Martins Shaft project in New South Wales

About Sovereign Gold Company Ltd

Sovereign Gold Company is an ASX listed (ticker: SOC) gold and base metals exploration and development company. It has a prospective tenement package covering the Rocky River-Uralla Goldfield, which is 21 kilometres southwest of Armidale, NSW.

The Company is focused on exploring a large Intrusion-Related Gold System (IRGS) identified within its Exploration Licences. Many of the Company's current tenements have received little or no exploration over the last 40 years.

Sovereign Gold Company's major shareholders are Hudson Resources Limited and Raffles Capital Limited.

About Jiangsu Geology and Engineering Co. Ltd. (SUGEC)

Jiangsu Geology and Engineering Co. Ltd. (SUGEC) is a State-Owned Enterprise based in Nanjing, China. It is a comprehensive geology and engineering enterprise with more than 10,000 employees, including geologists, geochemists, geophysicists and engineers.

Qualifying Statements

The information in this Report that relates to Exploration Information is based on information compiled by Michael Leu who is a member of The Australasian Institute of Mining and Metallurgy and 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.