



SOVEREIGN GOLD
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ASX Release

23rd July 2013

World-class gold intercept continues to grow at Mount Adrah

- Continuous assayed intercept now 478m @ 1.2g/t Au; expected to increase further
- 194m @ 1.3g/t Au from 576m – 770m
 - o Including: 96m @ 1.6g/t Au from 622m – 718m
 - o Including: 42m @ 1.8g/t Au from 674m – 716m
- Mt Adrah Hobbs Pipe 1 assays within expected range, continue to confirm company's concept and target
- These results provide a clear picture of the grade of mineralisation to 770 metres
- Assay results from the rest of the hole, 0m - 292m and 770m – 1,029.6 metres, are pending and due by the end of July
- Metallurgical testing underway by ALS Burnie to validate historical results
- Next Deep Diamond Drill Hole (GHD004) underway to test width of mineralised Mt Adrah Hobbs Pipe 1

The Board of Sovereign Gold Company Limited (ASX: SOC) are extremely pleased to announce a major extension to the depth of known gold mineralisation at the Mt. Adrah Hobbs Pipe 1. Assays have extended known gold mineralisation to at least 770m depth.

Priority was given to assay core cut commencing at 292m as gold grades to 300m have already been reported, such as DGG1: vertical hole with 313m @ 1.42g/t Au from 2m - 315m. New core from GHD001 for this interval is being assayed to provide validation of the earlier results and if confirmed will increase the aggregate grade from surface accordingly.

Hole	From (m)	To (m)	Interval (m)	Au g/t
GHD001	0	292	<i>Assays Pending</i>	
GHD001	292	576	284	1.2
Including				
GHD001	292	396	104	1.6
GHD001	300	350	50	1.9
GHD001	576	770	194	1.3
Including				
GHD001	622	718	96	1.6
GHD001	674	716	42	1.8
GHD001	770	1029.6	<i>Assays Pending</i>	

Methods: Half-core HQ 2m composite samples were analysed at ALS Brisbane (multi-element) and ALS Townsville (Au). 48 element Multi-element analysis (ALS Method: ME_MS61) was by four acid digest and ICP-AES and ICP-MS. Gold analysis was by 30g Fire Assay with AAS finish (ALS Method: Au_AA25).

Previous reported gold grades, which include results for the upper interval to 292m for which assays are pending, provide an indication of the expected grades:

Hole	From (m)	To (m)	Interval (m)	Au g/t
DGG1	2	315	313	1.4

Dr. Kris Butera, CEO of Gosan Hill Gold (SOC owns 87%), noted that "Further excellent assays with higher grade zones up to 1.6g/t Au over 96m continue to demonstrate the capacity of the Hobbs Pipe 1 system to become a major gold system. Based on our geological observations, we are anticipating results from the top 292m to continue to add to this magnificent drill intercept, further validating our conceptual model and targeting strategy."

Grades are concordant with visual logging, confirming interpreted visual mineralisation throughout the hole and core.

Grades continue to underpin the company's previously reported conceptual geological models and target grades for Mt Adrah Hobbs Pipe 1. The aggregate is within the target grades of 1.1 to 1.4 g/t.

Samples for metallurgical testing have been received by ALS Metallurgy in Burnie Tasmania.

Tests are being conducted to validate historic metallurgical work undertaken by Michelago Resources NL in 1996, which yielded gold recoveries of up to 94% of the gold, achieved via flotation into a sulphide concentrate¹.

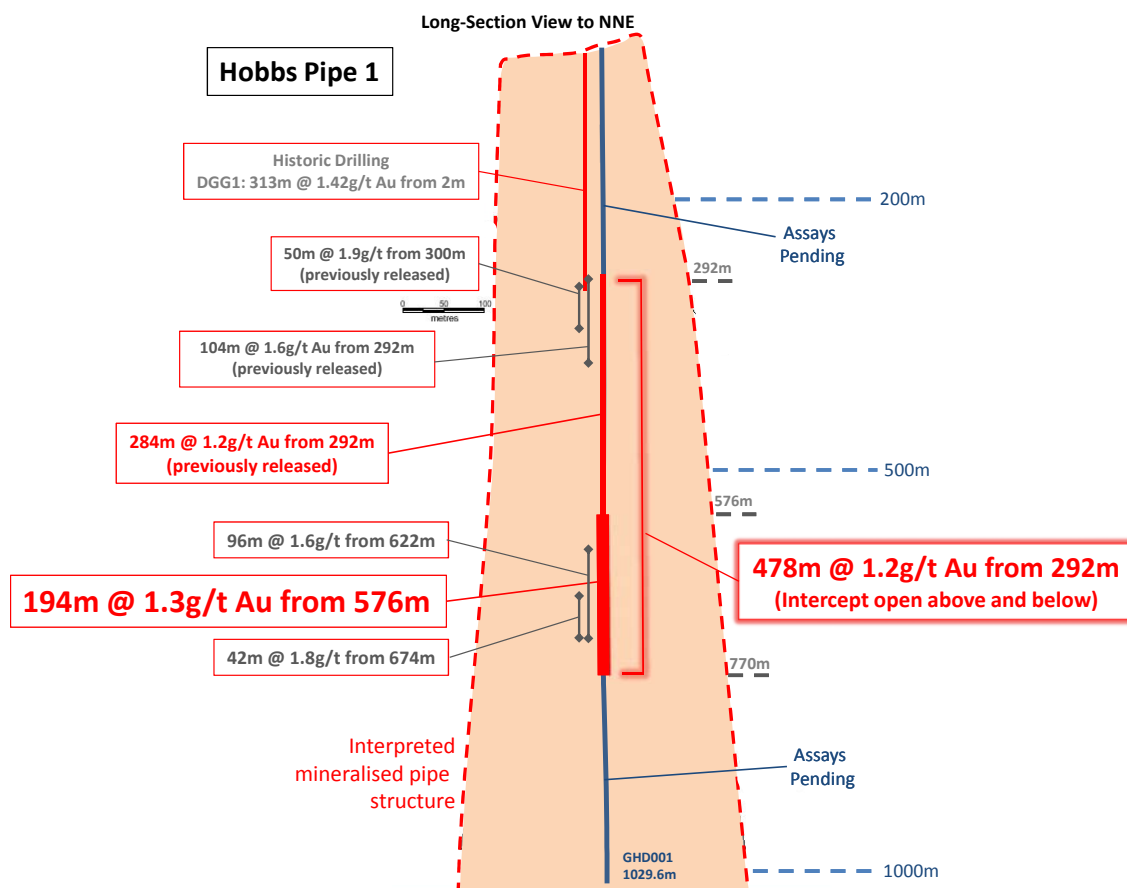
Overall gold recovery was in the order of 90%.

Next Deep Diamond Drill Hole (GHD004)

Drilling has commenced on a second deep hole to test the width of the mineralisation at Hobbs Pipe 1.

Diamond drill hole (GHD004) is a deep steeply inclined hole designed to test the width of Hobbs Pipe 1 between 220m and ~1,000m vertical depth.

This hole will primarily test the lateral extent of the deposit at depth and in a NNE direction, where the company believes the system may be spatially associated with the main intrusive source responsible for the Hobbs Pipe 1 beneath Mount Adrah.



Cross section showing significant gold intersections

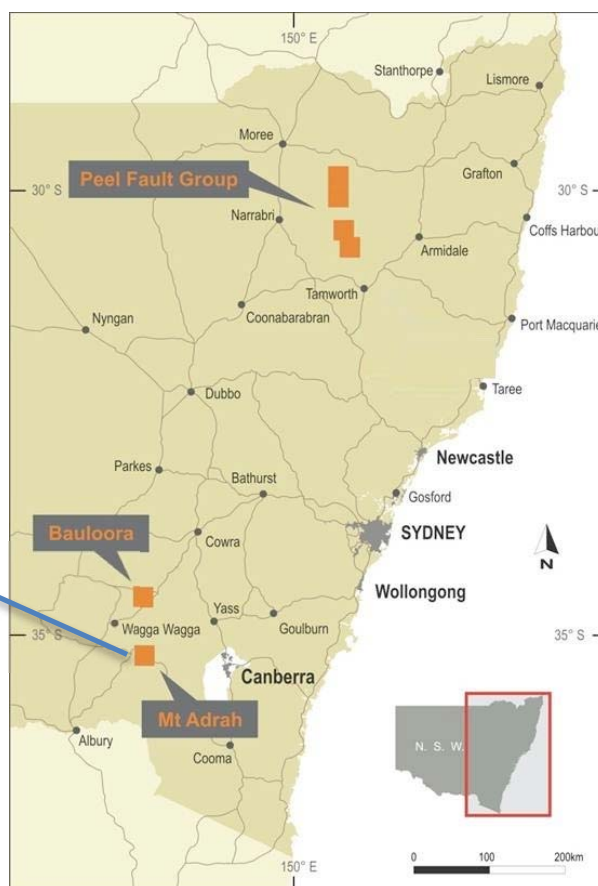
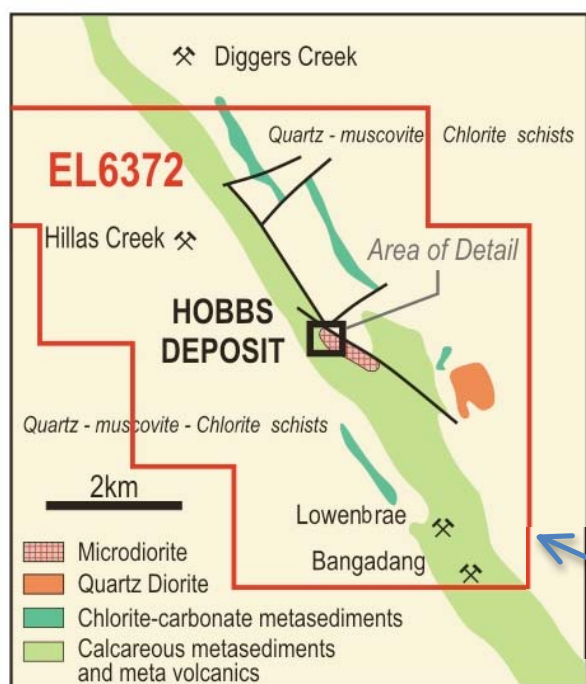
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¹ Independent Metallurgical Report Mount Adrah Project, NSW, 1996. B. E. Enterprises.



GHD001 661-664m, average 1.5g/t Au, sulphide-sericite altered monzodiorite exhibiting sheeted veins (HQ core diameter – 63.5mm)



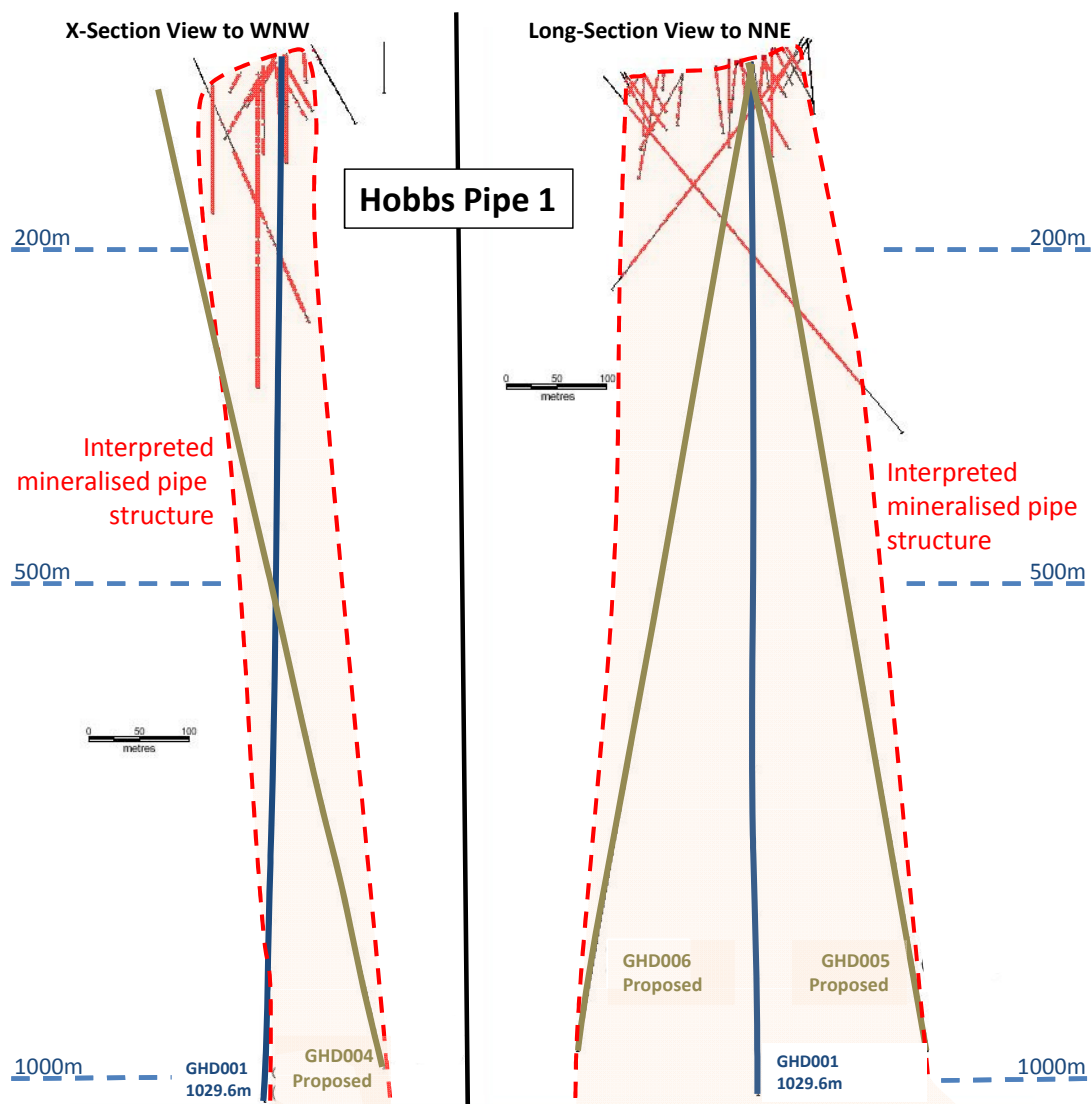
Location map and geological setting, EL 6372

Qualifying Statements

The information in this report that relates to Exploration Information is based on information compiled by Michael Leu 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 mineralization and type of deposit under consideration and to the activity, which they are undertaking to qualify as Competent Persons 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 report of the Exploration Information in the form and context in which it appears.



Conceptual geometry of Hobbs Deposit Pipe 1, showing completed and proposed drill holes