



SOVEREIGN GOLD
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ASX Release
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Mt Adrah Conceptual Exploration Targets – clarification and retraction

On 21 June 2013 in a market release titled “Conceptual Exploration Target Clarification”, Sovereign Gold Company Limited (ASX: SOC) (**Sovereign Gold**) released Conceptual Exploration Targets including:

- **Hobbs Pipe 1 Target:** 65 - 90M tonnes at 1.13 – 1.40 g/t to 1,000 metres – Clarified as below
- **Multiple Pipes Target:** Retracted as below
- **Deep Bulk Target:** Retracted as below

Further to the announcement of 21 June 2013, Sovereign Gold has reassessed the exploration target, for Hobbs Pipe 1 to **65 - 90M tonnes at 1.1 g/t – 1.4 g/t for 2.25M to 4M ounces contained gold.**

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.

This exploration target should not be viewed as an estimate of Mineral Resources or Ore Reserves. However, it is based on experience with the exploration work which established the current inferred resource estimate of 239,000 ounces and substantial knowledge being gained from the current exploration program, where an average grade of 1.2 g/t has been confirmed by assays over 284m @ 1.2g/t Au from 292m – 576m¹, below the current estimate.

On 11 July 2013, the market was advised that an initial deep diamond hole had been completed to a depth of 1,030 metres with “Visible mineralisation observed throughout entire hole depth of 1,030m”.

On 15 July 2013, the market was further advised that an additional 3 holes are planned to “provide useful data for additional resource estimation”.

The first of these 3 holes will commence on Tuesday 23 July 2013 and will test the lateral extent of mineralisation to ~1,000m vertical depth.

This may in time, if correct, advance the Conceptual Exploration Target to a Mineral Resource.

The Conceptual Exploration Target is premised on the understanding that the Mt Adrah Hobbs Mineral Deposit is geologically similar to Goonumbla - Northparkes Porphyry Copper-Gold Deposits - located approximately 250km north of the Hobbs Deposit, and in a similar geological setting.

Northparkes Porphyry Copper-Gold Deposits are sub-vertical sub-cylindrical mineralised intrusive bodies (read Pipes) (geologically similar to Hobbs Pipe 1, a sub-vertical sub-cylindrical mineralised intrusive body) that are being mined by Rio Tinto at Northparkes Mine.

¹ ASX Release 17 July 2013



Multiple Pipes Target

Sovereign Gold has determined that it is premature to declare an Exploration Target based on the multi-pipe model until further work is undertaken.

Validation of the conceptual model of the Multiple Pipe Mt Adrah System may in time be tested with deep diamond drill holes and potentially a deep penetrating offset pole-dipole induced polarisation (3D IP) survey, the exact construction of these programs will depend on the results of the initial program to delineate the potential of Hobbs Pipe 1 and as there is no definitive time frame **the Conceptual Exploration Target for the Multiple Pipes Target is withdrawn.** It may be revisited at an appropriate time, provided that Sovereign Gold is satisfied that the exploration target if achieved would have reasonable prospects for eventual economic extraction.

Deep Bulk Target

The verification of the conceptual deep bulk target source is a low priority due to its depth (1,750 meters), associated costs and will not be undertaken in the foreseeable future. Accordingly, **the Conceptual Exploration Target for the Deep Bulk Target is withdrawn.**

For further information please contact:

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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 together with Dr Andrew White, a Fellow of the Australian Institute of Geoscientists and Jacob Rebek and Dr Kris Butera, Members of the Australian Institute of Geoscientists.

Mr Leu and Jacob Rebek are qualified geologists and are directors of Sovereign Gold Company Limited.

Dr White is a director of Gossan Hill Gold Limited.

Dr Kris Butera is CEO and director Gossan Hill Gold Limited.

Mr Leu, Jacob Rebek, Dr White and Dr Butera have 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, Jacob Rebek, Dr White and Dr Butera consent to the inclusion in this report of the Exploration Information in the form and context in which it appears.