

ASX Release
30th July 2013

886m gold intercept confirmed at Mt. Adrah Hobbs Pipe 1 – Second deep hole underway and progressing well

- **886m @ 1.2g/t Au from surface**
 - o Including: 400m @ 1.4g/t Au from surface
 - o Including: 720m @ 1.3g/t Au from surface
- **Results provide a clear picture of the grade of mineralisation to 886 metres**
- **Next Deep Diamond Drill Hole (GHD004) intercepts Mt Adrah Hobbs Pipe 1 at ~335m from surface as predicted**
- **Width of mineralisation being tested**
- **Confidence grows that Hobbs Pipe 1 is part of a significant new gold system at Mount Adrah**
- **Metallurgical testing underway by ALS Burnie to validate historical results**

Sovereign Gold Company Limited (ASX: SOC) presents the final report for diamond drill hole GHD001, affirming the significant scale of gold mineralisation in Hobbs Pipe 1.

Assay results certified by ALS are:

886m @ 1.2g/t Au from surface,

Including: 400m @ 1.4g/t Au from surface

Including: 720m @ 1.3g/t Au from surface

Assay results and geological logging of drill core show that GHD001 skipped out of the pipe and left the mineralised zone after 886m.

Exclusion of results below 886 metres, which are below the likely economic cut off grade, does not detract from the understanding of this report.

Assay results confirm that the exploration target for Hobbs Pipe 1: 65 - 90M tonnes at 1.1 g/t – 1.4 g/t for 2.25M to 4M ounces contained gold continues to be valid.

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.

Dr. Kris Butera, CEO of Gossan Hill Gold (SOC owns 87%), noted that **“An outstanding intersection of 886m @ 1.2g/t Au from surface to the southern contact of the monzodiorite with the enveloping sediments confirms our conceptual models and validates our belief that Mount Adrah will become a world class gold deposit. The current second hole will help identify the width of the system at depth.”**



Kris Butera at Hobbs Deposit 1 with brokers and analysts (29 July 2013)

Next Deep Diamond Drill Hole (GHD004)

The next drill hole, diamond drill hole, GHD004 is primarily testing 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. It may also confirm that Hobbs Pipe 1 continues to depth.

The hole contacted mineralisation at ~335m from surface. Drilling continues to establish the exit contact point at depth.

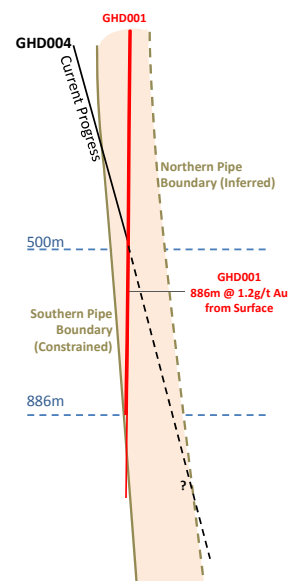
GHD004 is a deep steeply inclined hole designed to test the width of Hobbs Pipe 1 between 220m and ~1,000m vertical depth.

Metallurgical Testing

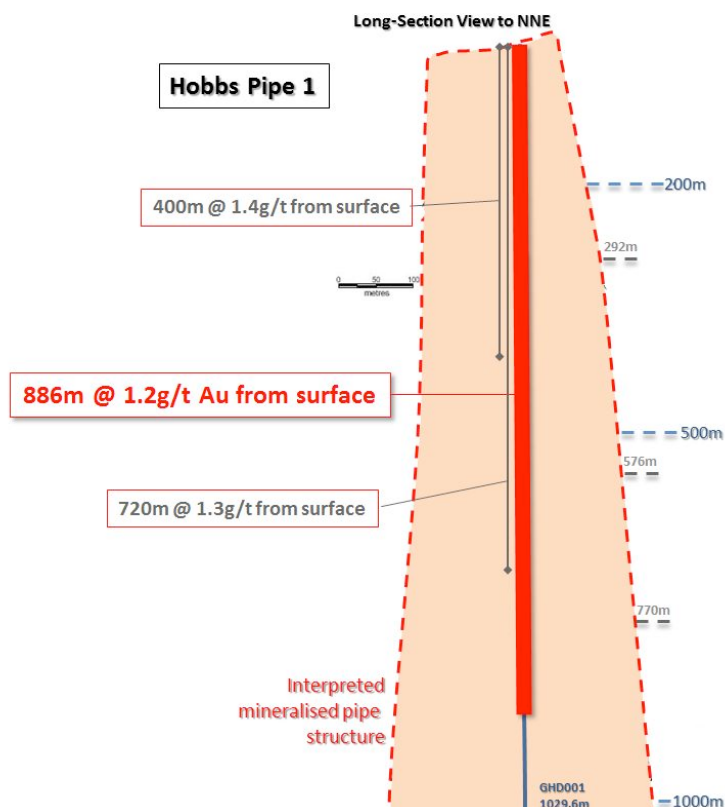
Samples for metallurgical testing have been received by ALS Metallurgy in Burnie Tasmania.

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%.



X-Section View to the WNW showing current progress on hole GHD004 relative to the 886m intercept in hole GHD001



Long section showing significant gold intersections

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.

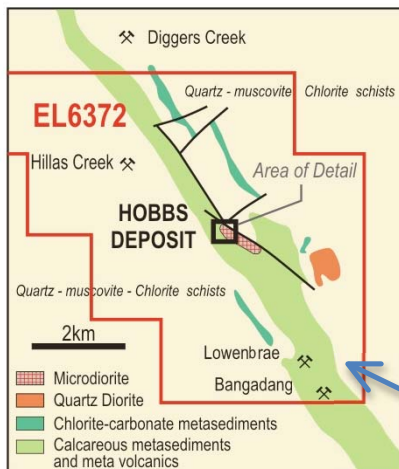
Dr Kris Butera is CEO and director Gossan Hill Gold Limited.

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.

For further information please contact:
Michael Leu, CEO
Telephone: +61 2 9251 7177
mleu@sovereigngold.com.au

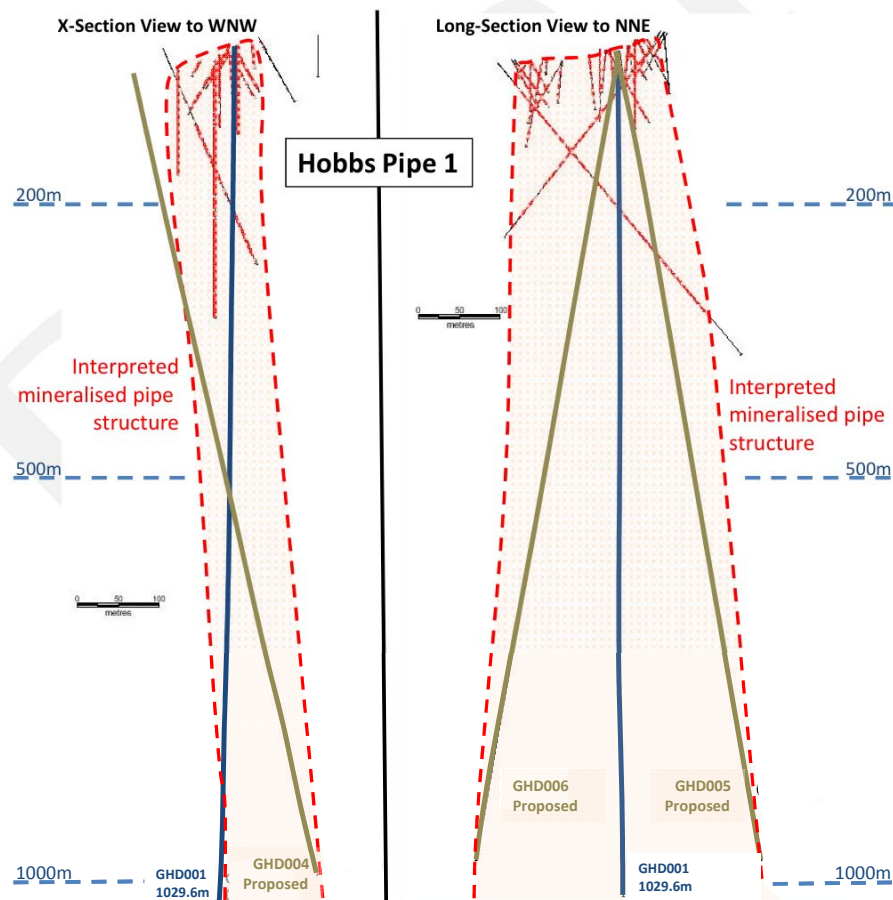
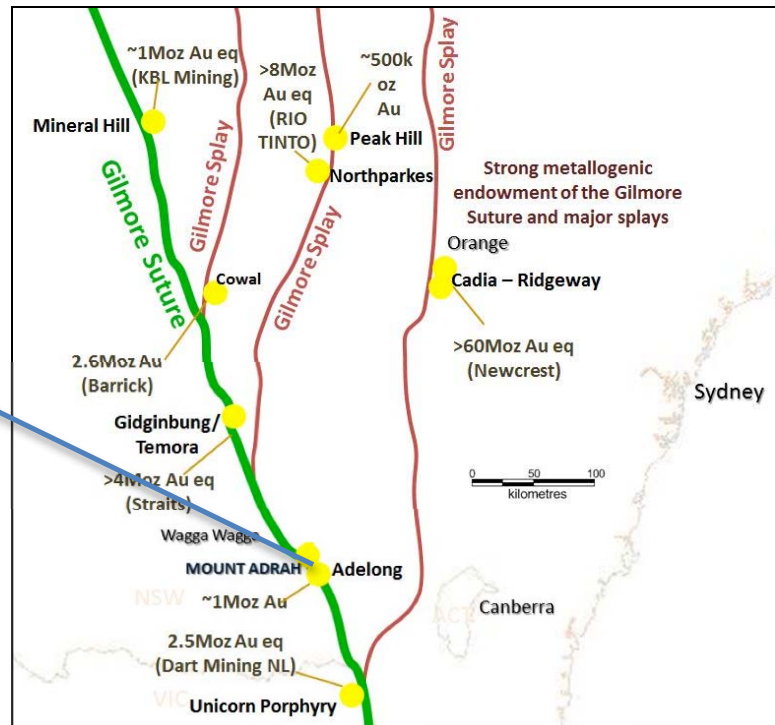
Media enquiries:
Rebecca Lawson, Mercury Consulting
Mobile: +61 432 398 122
Rebecca.lawson@mercuryconsulting.com.au

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



Location map and geological setting, EL 6372

Location of Mount Adrah relative to several world-class gold deposits situated on the Gilmore Suture and associated splays.



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