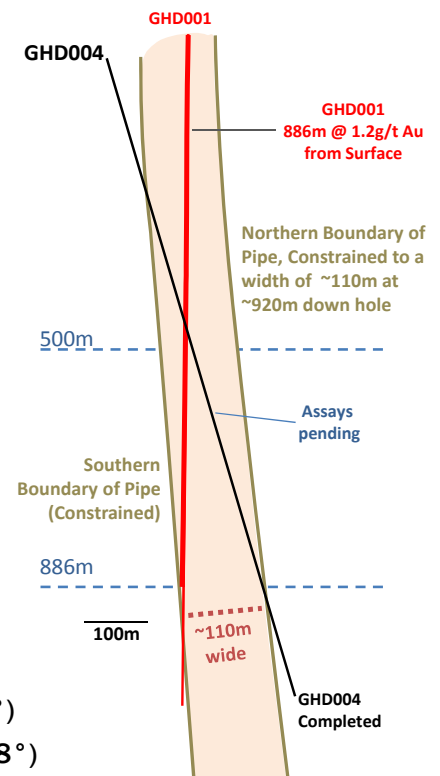


ASX Release
 8th August 2013

Hobbs Pipe 1 update

Successful completion of second drill hole into Hobbs Pipe 1 ~110 metre width¹ confirmed

- Diamond Drill Hole GHD004 completed successfully
 - o Tested pipe width across dip toward the NNE
 - o Final depth 1,030.1m
 - o Mineralisation consistent from 336m to approximately 900m.
 - o Mineralisation visibly identical to, or better than, previous vertical hole GHD001
 - o Strong sulphide-sericite alteration, an indicator of gold mineralisation at the Hobbs deposit, is present throughout the Hobbs Pipe 1 zone
 - o Sulphides associated with alteration selvages of quartz veins and fractures continue to end of hole
 - o Confirming a width of Hobbs Pipe 1 of ~110m at depth, as predicted
 - o Assays pending
- Next holes starting within the fortnight target strike length of 250-300m (an increase from initial estimates of 200m)
 - o GHD005 to test strike length toward the ESE (inclined to 75°)
 - o GHD006 to test strike length toward the WNW (inclined to 78°)



Scoping Study underway

Sovereign Gold Company Limited (ASX: SOC) is pleased to announce that deep diamond hole GHD004, targeting the width of Hobbs Pipe 1, has been completed to a depth of 1,030.1m.

Consistent strong sericite altered monzodiorite hosting disseminated arsenopyrite-pyrite (gold-bearing) mineralisation was observed from where the drill hole entered the pipe, at approximately 336m down hole, through to where the hole intersected a more mafic diorite at a down hole depth of 890 to 920m (at pipe edge). Mineralisation is expected to continue further to depth within the pipe structure.

Within the deeper diorite unit, some intense sericite alteration was observed with arsenopyrite, pyrite and pyrrhotite, generally as selvages to quartz veins. It is unknown whether this newly observed style of mineralisation will host economic gold grades, however samples are being taken and dispatched for assays.

Of prime importance to the project, this intersection confirms the predicted 100m true width of the pipe at depth, with the final pipe width (expected to be 100m or above) of the mineralised zone to be confirmed by pending assays.

Sovereign Gold's Managing Director, Michael Leu, noted, "These results further validate the company's conceptual models and targets, and also confirm the scale of the deposit. The next holes will test the strike length of the system."

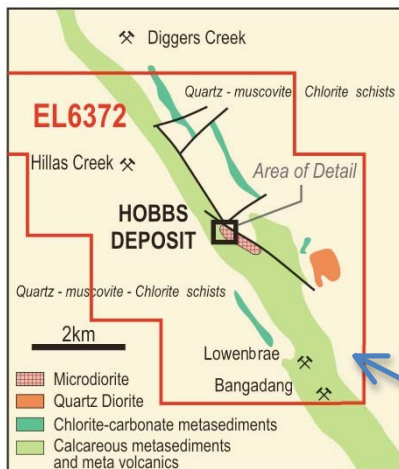
Scoping study underway for the Hobbs Pipe 1 deposit, with guidance from a team of highly respected consultants and mine developers. Initially, this work is focussing on the metallurgical; caveability and sulphide concentrate, transport costs and potential revenue generation for the project.

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

Approximate true width estimated ~110m at ~920m down hole in GHD004.

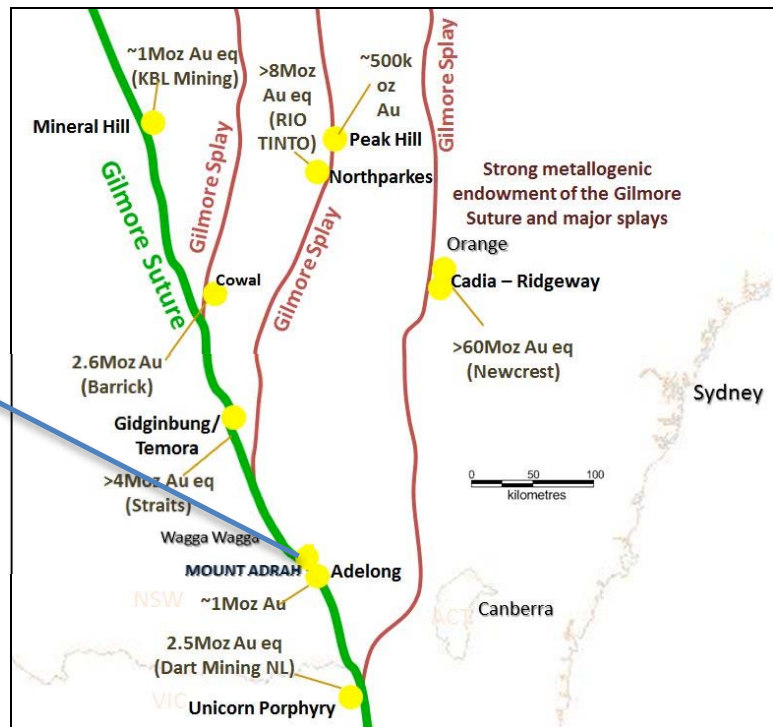
Note: GHD004 is collared at a lower elevation to GHD001.

¹ Approximate true width



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.



Example of narrow mineralisation style in the mafic diorite unit, below 950m. 15mm wide sulphide-bearing quartz vein with sericite alteration selvage with disseminated sulphide.

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; and 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