



SOVEREIGN GOLD
COMPANY LIMITED

ACN 145 184 667
Level 2, 131 Macquarie Street Sydney NSW 2000
T +612 9251 7177 F +612 9251 7500

ASX Release
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Hobbs Pipe 1 update

Exciting new observations and concepts

Sovereign Gold Company Limited (ASX: SOC) through its subsidiary Gossan Hill Gold Limited, is pleased to present an update of the current drilling program.

- **Skarn features encountered commonly associated with major gold deposits observed in hole GHD007 – highly significant development**
- **Assay results from hole GHD006 pending**
- **3D IP progressing**

Gossan Hill Gold CEO, Dr Kris Butera, said “The observations of the skarn assemblages and the coincident historic near surface low grade gold mineralisation add a new dimension to the project. We interpret the lengthy skarn intercept as indicating that we are skirting the edge of a major gold deposit. The understanding of the morphology and style is being developed. Additionally, with results for hole GHD006 pending and the commencement of the 3D IP Survey, potential further excellent results will be soon released to the market. This is an exciting project and it continues to evolve with new potential with every hole.”

The Mt Adrah Project is approximately 23km north west of the township and old gold mining centre of Adelong, in central western NSW.

The area has good infrastructure (power, transport and water) and is held within EL 6372; EL7844; EL 8127; and EL 4868.

Hobbs Pipe 1 in EL 6372 has a JORC compliant 650,027 ounce resource, consisting of 100,915 oz Measured; 302,912 oz Indicated ; and 246,199 oz at a 0.75 g/t cutoff.

Concept development

The company will assess the potential for the gold endowed metasediments and skarns to form a large scale economic open pit with the inclusion of Hobbs Pipe 1 and any other proximal intrusive hosted mineralisation.

Drill Hole GHD007

Hole GHD007 is oriented toward the NE, and was designed to target the NE edge of Hobbs Pipe 1 near the surface, and continue on to test the geology beneath historical highly anomalous hornfels metasediment hosted mineralisation.

Intensely skarnified and very densely sheeted veined metasediment is observed in the hole, from ~350m. The rock assemblages include magnetite-dominant and garnet-pyroxene skarns.

Skarns are commonly seen proximal to some of the largest gold and copper deposits known, including at Cadia Valley (operated by Newcrest), Grasberg (Ertsberg) in PNG, and Red Dome (North QLD).

Hole GHD007 is currently at a depth of 700m.

In addition to the dense sheeted veins (zones of up to 1 vein or microvein of quartz or quartz-carbonate every 2cm), frequent larger quartz-carbonate veins are associated with an alteration selvage with pyrite-arsenopyrite-pyrrhotite mineralisation.



Intensely altered and veined metasediment from around ~700m in hole GHD007

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



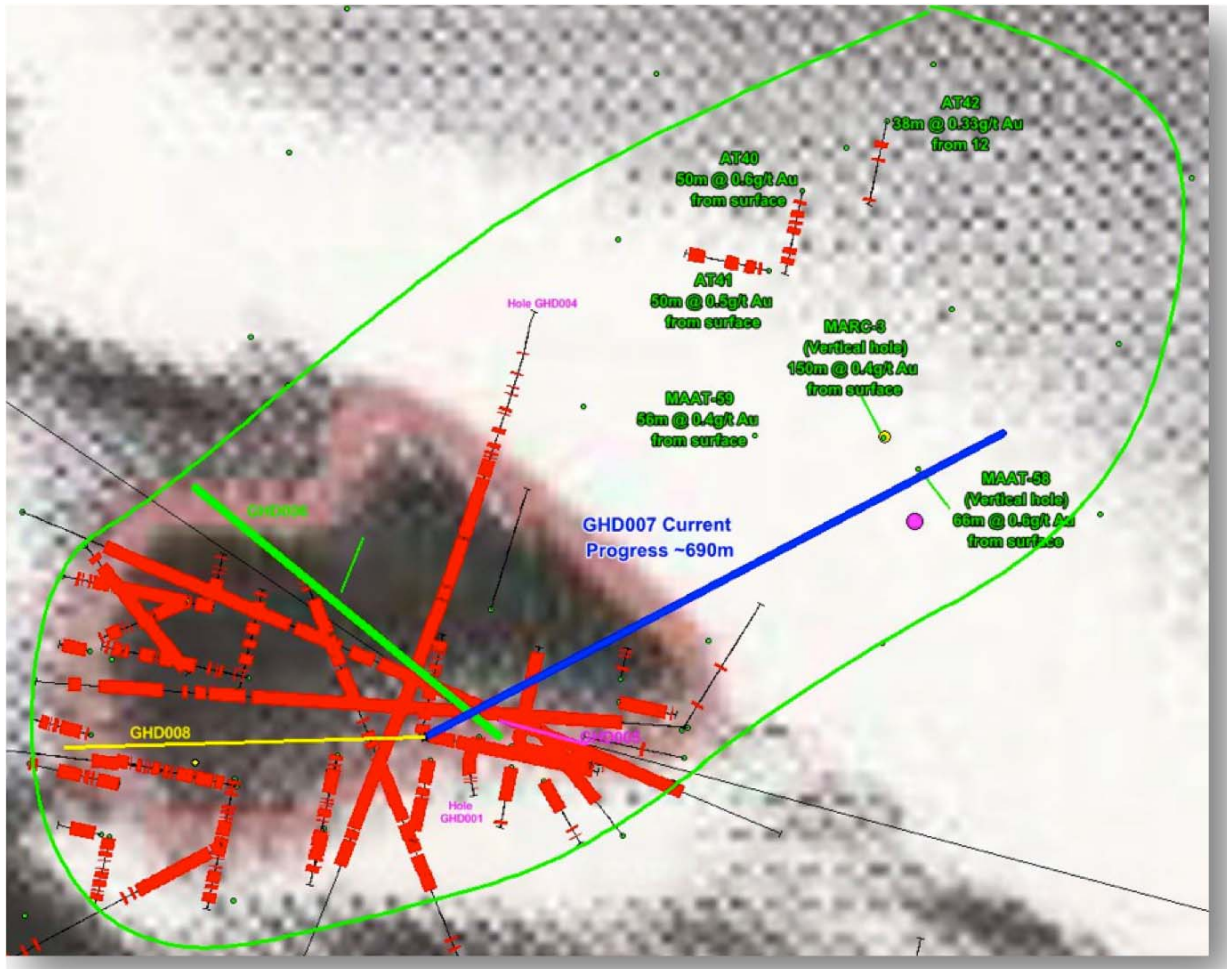
Typical intensely altered and strongly veined garnet-pyroxene in magnetite skarn, hole GHD007

Hole GHD007 is testing the geology below historical drill holes:

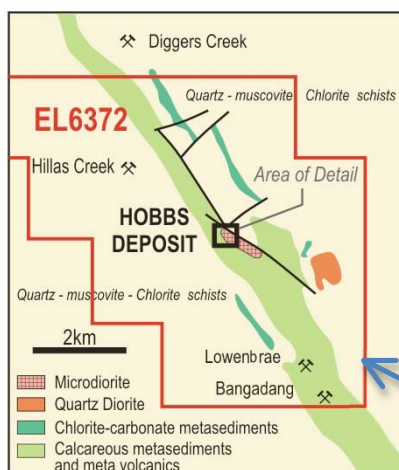
- AT40: 50m @ 0.6g/t Au from surface
- AT41: 50m @ 0.5g/t Au from surface
- AT42: 38m @ 0.33g/t Au from surface
- MAAT59: 56m @ 0.4g/t Au from surface
- MAAT58: 66m @ 0.6g/t from surface
- MARC-3: 150m @ 0.4g/t Au from surface



The historic drill hole intercepts along with the current drill hole traces are presented in figure below.

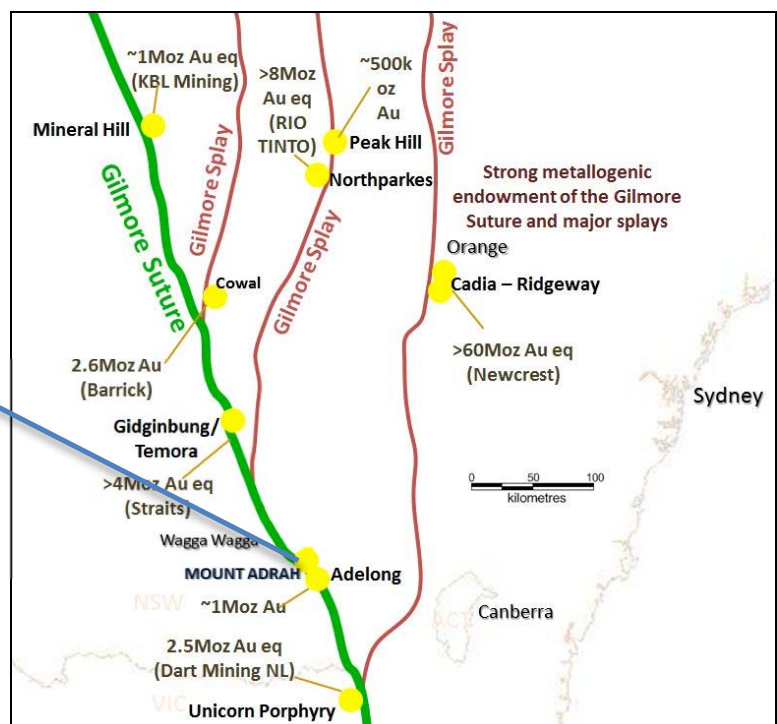


Hole traces of current drill holes and historic vertical holes. Background is RTP Ground Magnetics.



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





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 2012 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.