



SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
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Latest News
www.sovereigngold.com.au

Directors / Officers
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Peter Meers
Jacob Rebek

ASX Symbol: SOC

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.

9th October 2013

Company Announcement Office
Australian Securities Exchange Limited

Gossan Hill 2013 exploration program fully funded

- **Gossan Hill secures funding for Mt Adrah Project on a stand-alone basis**
- **Sovereign Gold retains significant interest in Gossan Hill**
- **Sovereign Gold continues to increase shareholder value through development of its asset portfolio**

Sovereign Gold Company Limited (**Sovereign Gold**) (ASX: SOC) advises that its subsidiary, Gossan Hill Gold Limited (**Gossan Hill**) has entered into a share subscription and option agreement (**Subscription Agreement**) with ICP Ltd., a company listed on the Catalist board of the Singapore Exchange Securities Trading Limited, through its wholly owned subsidiary, AceA Resources Pte. Ltd (**AceA**).

Gossan Hill currently has 96,000,000 shares on issue. Gossan Hill shareholders will be asked to approve a pro-rata issue to increase this to 192,000,000 prior to completion of the Proposed Subscription.

Under the Subscription Agreement, AceA will subscribe for 40,000,000 new ordinary shares (**Subscription Shares**) representing 17.2% of the enlarged share capital of Gossan Hill, at a subscription price of A\$0.05 (**Subscription Price**) for each Subscription Share (**Proposed Subscription**) for a total A\$2,000,000.

Additionally, pursuant to the terms of the Subscription Agreement, upon completion of the Proposed Subscription, AceA will be granted 40,000,000 options (**Option**), entitling AceA to subscribe for an aggregate 40,000,000 new ordinary shares (**Option Shares**) in the capital of Gossan Hill at A\$0.10 (**Exercise Price**) per Option Share. The Option is exercisable to the end of 3 years from completion of the Proposed Subscription. Exercise of the Options would provide an additional A\$4 million of funding to Gossan Hill.

Sovereign Gold's CEO Michael Leu said, "This direct investment in Gossan Hill, will provide funds required to complete the initial 2013 multi-pipe evaluation program at Mt Adrah without Sovereign Gold having to raise further capital to fund Gossan Hill. Sovereign Gold continues to focus on further developing its asset portfolio."

Completion of the Proposed Subscription is subject to the approval of shareholders of both ICP Ltd and Gossan Hill.

The aggregate Subscription Price and Exercise Price (if the Option is exercised) will be applied towards further drilling programs, evaluation of deposits and surrounding targets with the objective of increasing the JORC resource estimate in Mt Adrah and general working capital of Gossan Hill.

Sovereign Gold currently holds 87% of Gossan Hill. The following table presents possible changes in equity in Gossan Hill resulting from the Proposed Subscription:



Shareholder	Proposed Issued Capital		FPO Shares Post Proposed Subscription		Options Post Proposed Subscription	Equity All Options Exercised	
Sovereign Gold	167,300,000	87.14%	167,300,000	72.11%	85,392,708	252,692,708	68.30%
Others	24,700,000	12.86%	24,700,000	10.65%	12,607,292	37,307,292	10.08%
AceA			40,000,000	17.24%	40,000,000	80,000,000	21.62%
	192,000,000	100.00%	232,000,000	100.00%	138,000,000	370,000,000	100.00%

All options will have an exercise price of A\$0.10 with a term of 3 years from Completion. Exercise of all the options would provide A\$13.8 million of funding to Gossan Hill.

Separately, Sovereign Gold has entered into a put option agreement with AceA, whereby AceA, at any time during the one month period commencing 1 December 2013, can require Sovereign Gold to purchase from AceA the Subscription Shares and the Option at the exercise price of A\$2,000,000. This is to enable AceA to complete due diligence to its satisfaction.

For further information please contact:

Henry Kinstlinger
Investor Relations

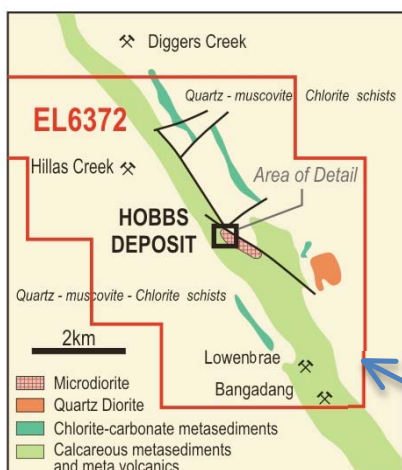
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About Sovereign Gold Company Limited

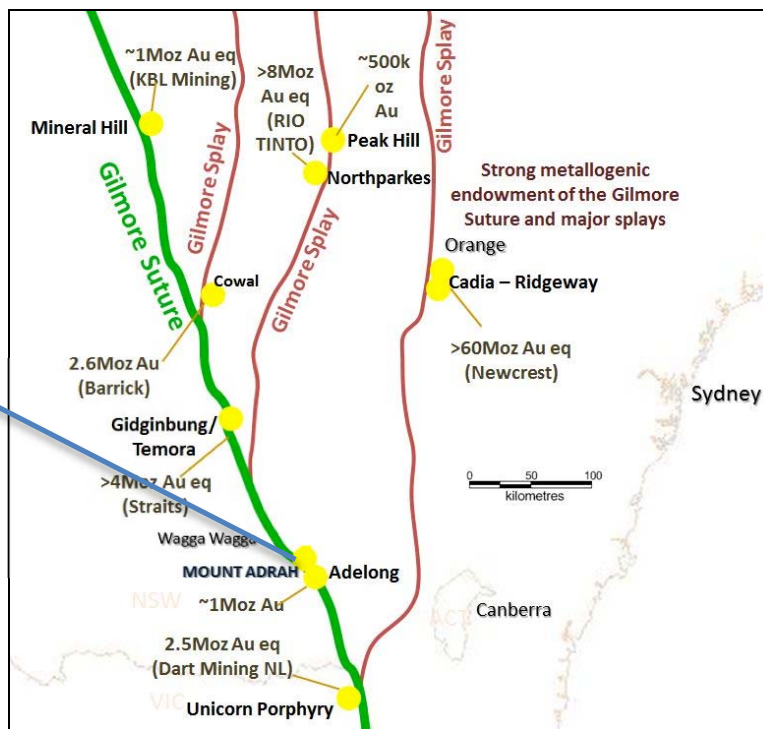
Sovereign Gold Company Limited (**Sovereign Gold**), (ASX: SOC) is an ASX listed company exploring primarily for gold in NSW.

Sovereign Gold acquired an 87% interest in Gossan Hill Gold Limited (**Gossan Hill**) in early 2013. Subsequently, additional exploration and deep drilling at Mt. Adrah (Hobbs Pipe 1) has uncovered a potentially world-class Intrusion-Related Gold System (IRGS) discovery. Evaluation is continuing. The Mt. Adrah Project is located approximately 50 km southeast of the regional NSW Centre of Wagga Wagga and 23km northwest of the historic gold mining district of Adelong.



Location map and geological setting, EL 6372

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



Sovereign Gold also holds 11 Exploration Licences over 3,240km² near Armidale in NSW including the historic Rocky River-Uralla Goldfields. Sovereign Gold's aggressive exploration program in several of these licence areas for 2013 is fully funded via a joint venture (at the tenement level) with Jiangsu Geology & Engineering Co Ltd (**SUGEC**), a major Chinese State-owned geology enterprise.

SUGEC funded drilling, near Martins Shaft in the Uralla area, has recently confirmed the presence of another potentially large IRGS discovery.

Sovereign Gold holds 80% of Precious Metal Resources Limited (**PMR**) (ASX: PMR), an ASX listed exploration company. PMR holds 20 ELs and ELAs over prospective base and precious metal ground, many in close proximity to Sovereign.

About Gossan Hill Gold Limited and the Hobbs Gold Project

Gossan Hill is an unlisted exploration company with numerous IRGS gold prospects in New South Wales.

The recent acquisition of a controlling interest (87%) in Gossan Hill by Sovereign Gold provides multiple benefits for Sovereign Gold, including an expanded exploration footprint in New South Wales with an additional three quality project areas within 8 Exploration Licenses.

Prior to the acquisition by Sovereign Gold, exploration indicated the potential for a significant gold resource presence at the Gossan Hill properties and in particular, the recently discovered Hobbs IRGS deposit which should enable Sovereign Gold to rapidly deliver resource growth and leverage off its experience exploring for IRGS in New South Wales.

The Hobbs IRGS deposit is close to good infrastructure (power, transport and water) and is held within EL 6372, EL7844, EL 8127 and ELA 4868.

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

Hobbs Pipe 1 in EL 6372 has a JORC compliant 650,000-ounce resource, consisting of 101,000 oz Measured; 303,000 oz Indicated; and 246,000 oz Inferred at a 0.75 g/t Au cutoff.