



SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
ACN 145 184 667

Level 2, 131 Macquarie Street
Sydney NSW 2000
Tel: +61 2 9251 7177
Fax: +61 2 9251 7500

Contact
Michael Leu CEO

email: mleu@sovereigngold.com.au

Latest News
www.sovereigngold.com.au

Directors / Officers
John Dawkins AO
Michael Leu
Peter Meers
Jacob Rebek

ASX Symbol: SOC

Sovereign Gold 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 2014 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 78% 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.

Sovereign Gold holds 87% of **Gossan Hill Gold Limited**, an unlisted exploration company with numerous IRGS gold prospects in New South Wales.

Exploration indicates 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.

ASX Release
2nd January 2014

Company Announcement Office
Australian Securities Exchange Limited

Company Presentation

In accordance with the requirements of Listing Rule 3.1 we submit the attached updated company presentation posted on the company's website.

For further information please contact:

Henry Kinstlinger
Investor Relations

Telephone: +61 2 9251 7177



ASX:SOC

Mount Adrah Gold Project Shaping up as a major discovery



SOVEREIGN GOLD
COMPANY LIMITED

Investor Update January 2014, Michael Leu, CEO

Strong IP anomalies
IRGS
92% gold recovery
10m @ 17.7g/t Au

multiple pipes

new high-grade

strong news stream

low discovery cost

homogeneous gold

mining studies

826m @ 1.3g/t

strong geoscience

178m @ 2.0 g/t Au

Northparkes analogue

Au





Disclaimer

Disclaimer

The material in this presentation (material) is not and does not constitute an offer, invitation or recommendation to subscribe for, or purchase any security in Sovereign Gold Company Limited ("SOC") nor does it form the basis of any contract or commitment. SOC makes no representation or warranty, express or implied, as to the accuracy, reliability or completeness of this material. SOC, its directors, employees, agents and consultants shall have no liability, including liability to any person by reason of negligence or negligent misstatement, for any statements, opinions, information or matters, express or implied, arising out of, contained in or derived from, or for any omissions from this material except liability under statute that cannot be excluded. Statements contained in this material, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of SOC, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties.

Actual events and results may differ materially from those expressed or forecasted in forward-looking statements due to a number of factors. The principal important risk factors that could cause SOC's actual performance and future events and actions to differ materially from such forward-looking statements, include, but are not limited to, continuing volatility in the capital or credit markets and other changes in the securities and capital markets, changes in market prices of SOC's investments, the occurrence of one or more catastrophic events, such as an earthquake, hurricane, or act of terrorism, changes in laws or regulations, changes in income tax laws, and changes in general economic and market factors that affect the prices of securities or the industries in which it does business.

JORC 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 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.

True Widths

The true-width of intercepts is not known, down hole lengths reported.

Investment Highlights

- ⌘ Major Intrusion Related Gold System. Hobbs Pipe Intercepts include 886m @ 1.2g/t Au from surface, 826m @ 1.3g/t Au from surface and 178m @ 2g/t Au from 400m
- ⌘ Multi-million ounce potential
- ⌘ Located in southern NSW on the prolific Gilmore Suture hosting world class-mines such as 60 Moz Cadia/Ridgeway and 8 Moz Northparkes
- ⌘ Hobbs Current Resource 770,000 ounces gold, from a total Mineral Resource estimate of 20.5 Mt at 1.1 g/t gold, at various cut-off grades to a depth of 700m* – and growing
- ⌘ Multiple intrusive-hosted gold targets additional to Hobbs Pipe
- ⌘ Recent drilling uncovers high-grade reef intersections outside Hobbs Pipe in Castor System – 10m @ 18 g/t Au and 1.2m @ 58.6g/t Au
- ⌘ Potential large-scale open cut, and high-grade narrow vein and bulk underground mining propositions

* The information is extracted from the report entitled *Hobbs Pipe Mineral Resource Update Additional Information* created on 27 December 2013 and is available to view on www.sovereigngold.com.au/investors.htm. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



Corporate details

Sovereign Gold Company Ltd	SOC
Shares on Issue	153.1 million
Options	Nil
Share price (31/12/13)	17 cents
Market Cap	A\$26 million
1-year Price Range	10c – 26c
Cash/Receivables (at 31/10/13)	A\$2.6 million
JV/MOU funding	A\$11 million
JORC Resource	770,000oz Au
Major Shareholders	Hudson Resources (26.3%) Raffles Capital (17.6%)

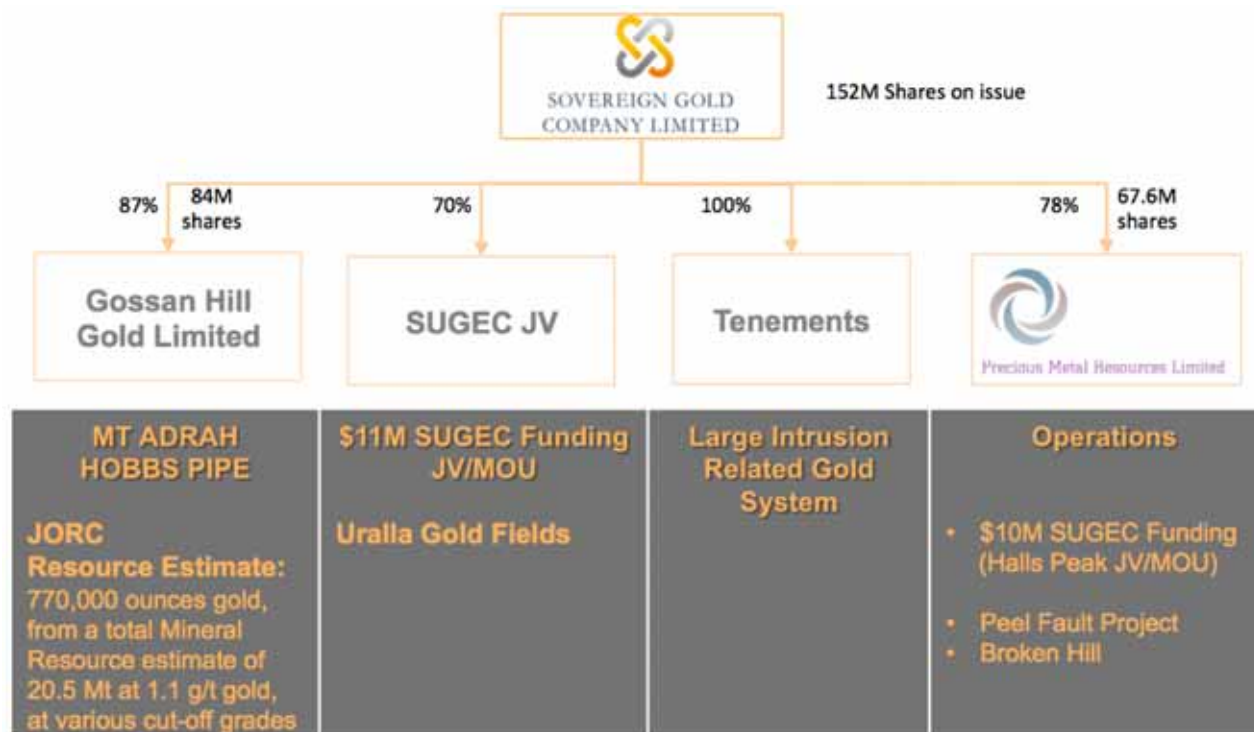




❖ Gossan Hill Gold (87%)
Mt Adrah Hobbs Gold
Deposit- Southern NSW

❖ Northern NSW:
Discovered large
Intrusion-Related Gold
System, 100% owned
tenements

❖ 78% of Precious Metal
Resources (ASX: PMR),
67.6 million shares



❖ SOC: Joint venture with Jiangsu ('SUGEC') exploring for Intrusion-Related Gold Systems ('IRGS') \$11m funding for 30% JV/MOU interest for extensive exploration program

❖ PMR: \$10m funding for 30% JV/MOU interest for extensive exploration program



Mount Adrah – Technical Team



Dr Kris Butera,
CEO Gossan Hill Gold



Dr Andy White



Michael Leu

Conducting project
scoping study



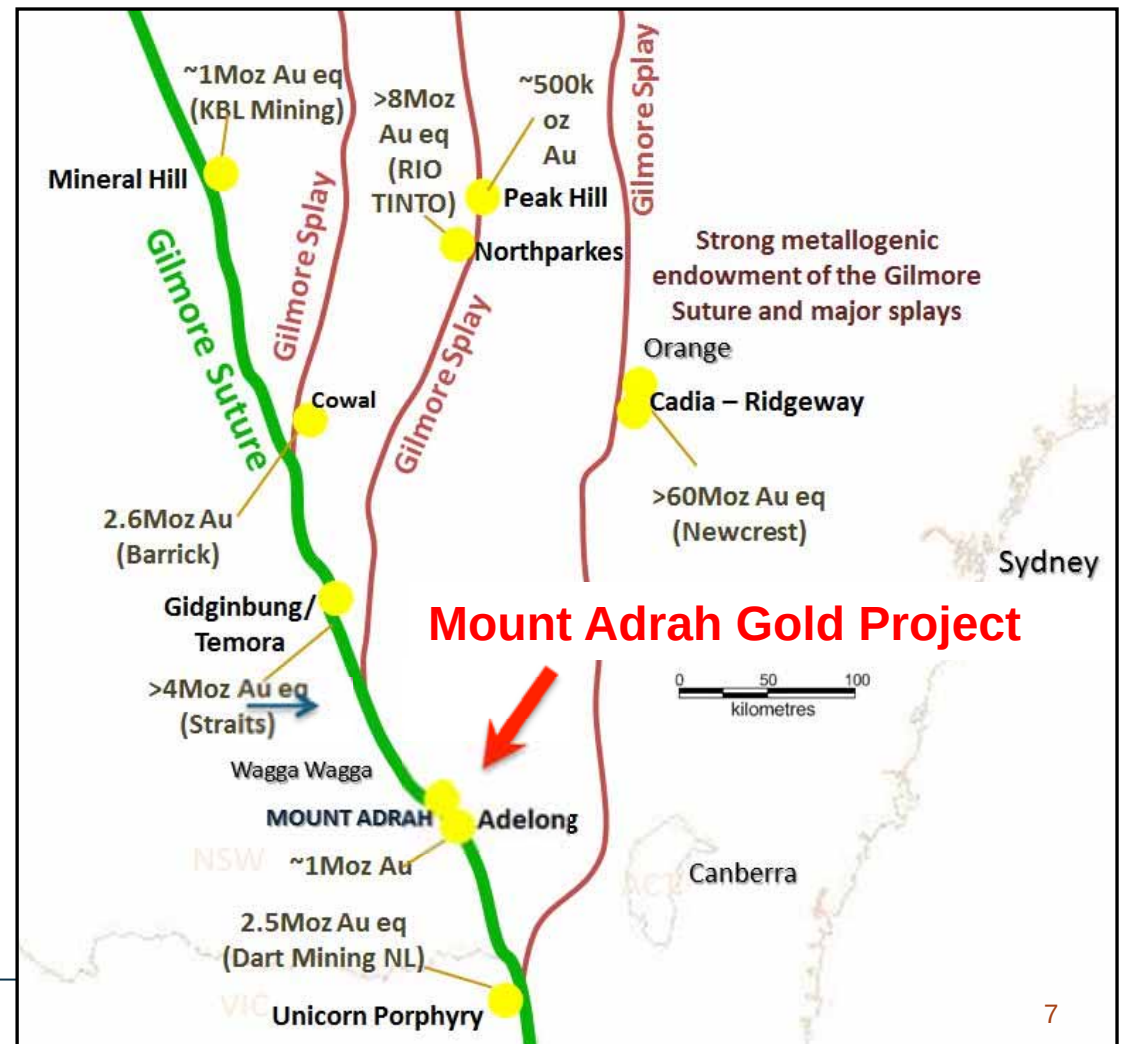


NSW's gold-rich heartland

Mount Adrah is in one of the world's great (and under-explored) gold belts. On the Gilmore Suture – the same large tectono-structural system hosting:

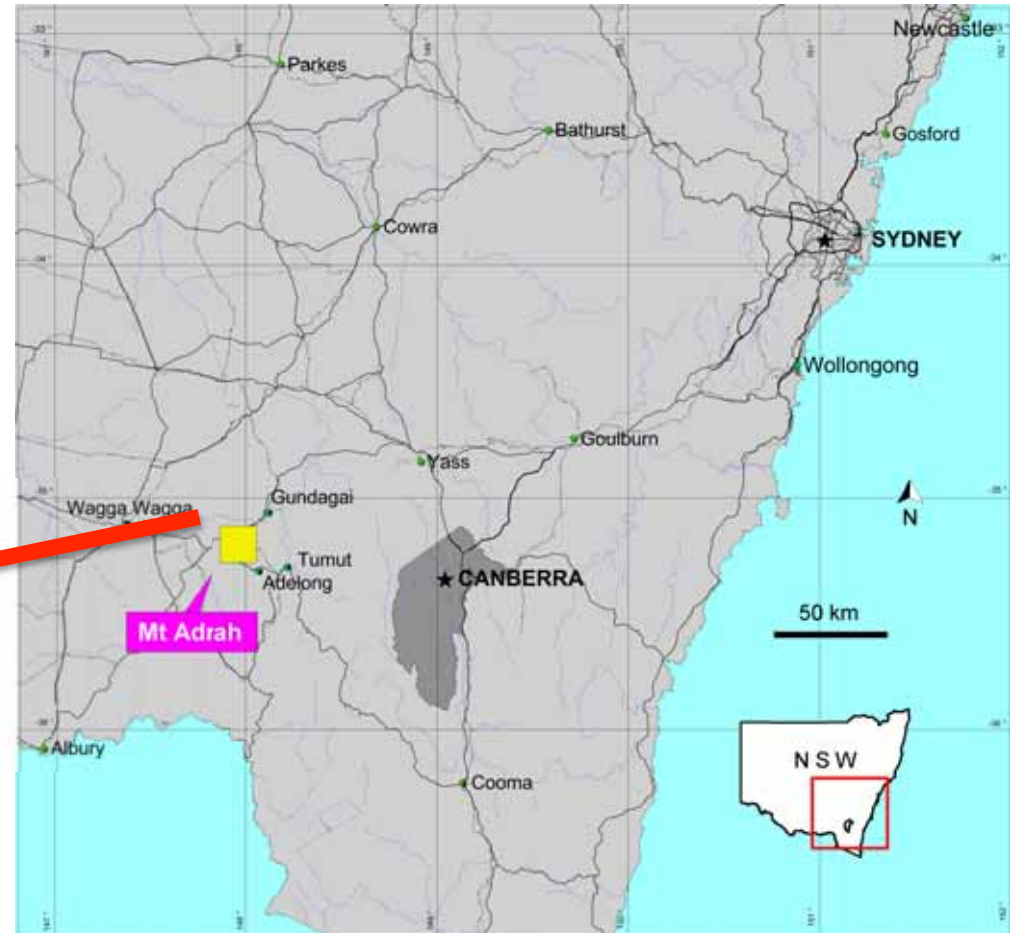
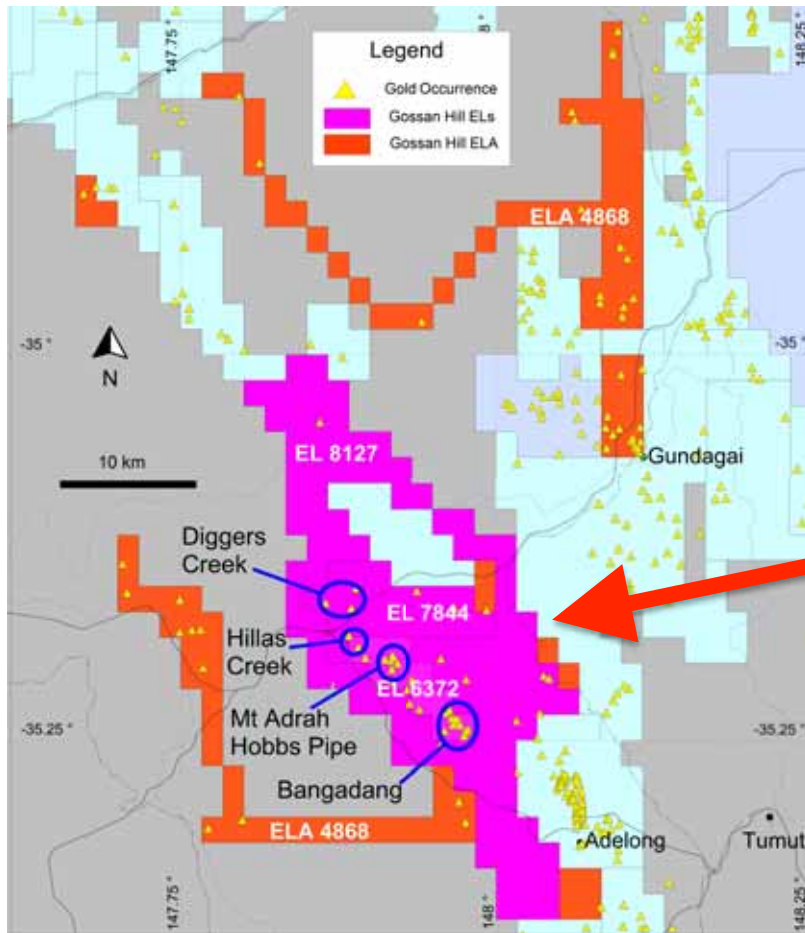
- ❧ Rio Tinto's Northparkes Mine (8Moz)
- ❧ Newcrest's Cadia-Ridgeway (60Moz)
- ❧ Barrack's Cowal gold mine (2.8Moz)
- ❧ Peak Hill (0.5Moz)
- ❧ Unicorn Porphyry Mo (2.5Moz)
- ❧ Mineral Hill (1.0Moz)

(Moz shown are gold equiv.)





690 sq kms holding at Mount Adrah Gold Project



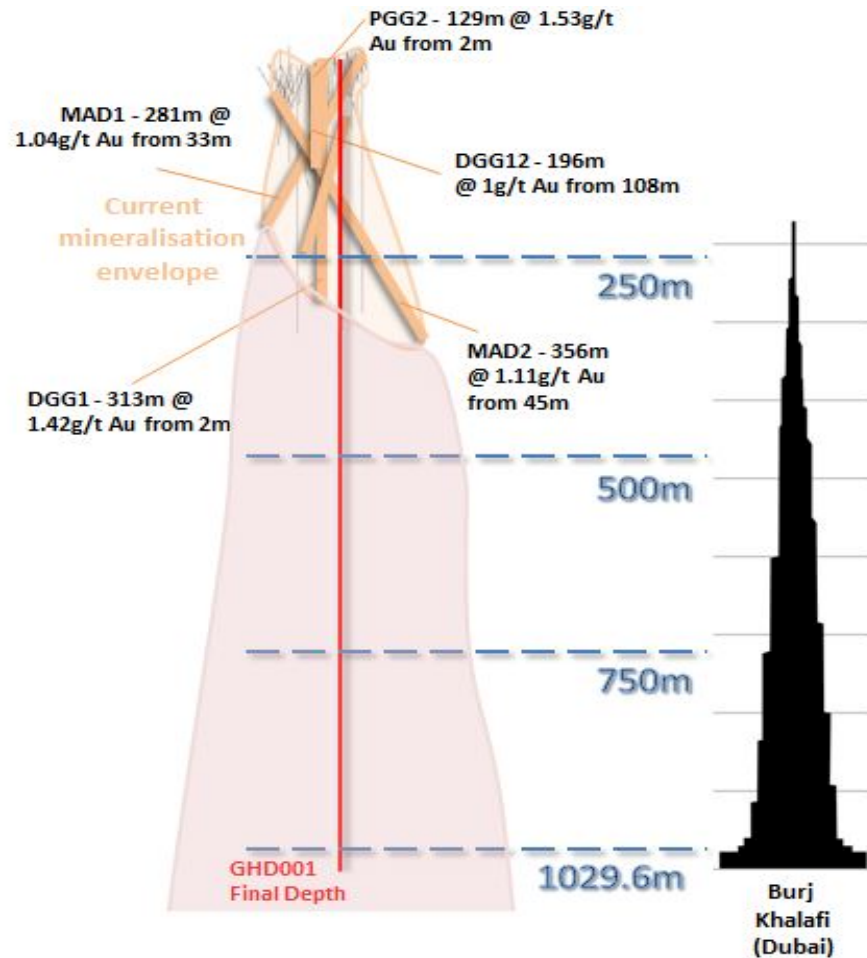


Discovery based on a new ore-type model

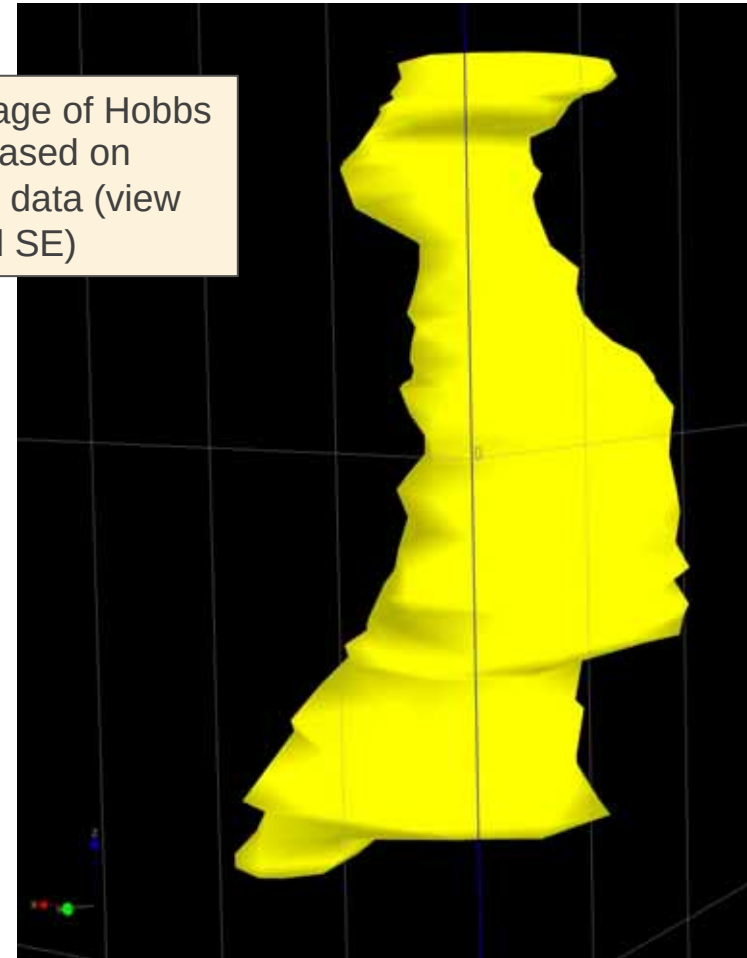
- ✘ Intrusion-Related Gold Systems (IRGS) are a new gold deposit type only defined in 1999, hence previously overlooked
- ✘ IRGS first formalised in the Tintina Gold Province, Alaska-Yukon where “More than 50 million ounces... defined in the last 15 years.” (US Geological Survey) yet almost no gold production up to the mid-1990s
- ✘ Similar potential exists in the Lachlan Fold Belt and the New England Fold Belt in New South Wales
- ✘ Sovereign Gold has discovered two large IRGS – the Mount Adrah IRGS and the Rocky River-Uralla IRGS in Northern New South Wales



Hobbs: Vertical pipe of homogeneous gold mineralisation



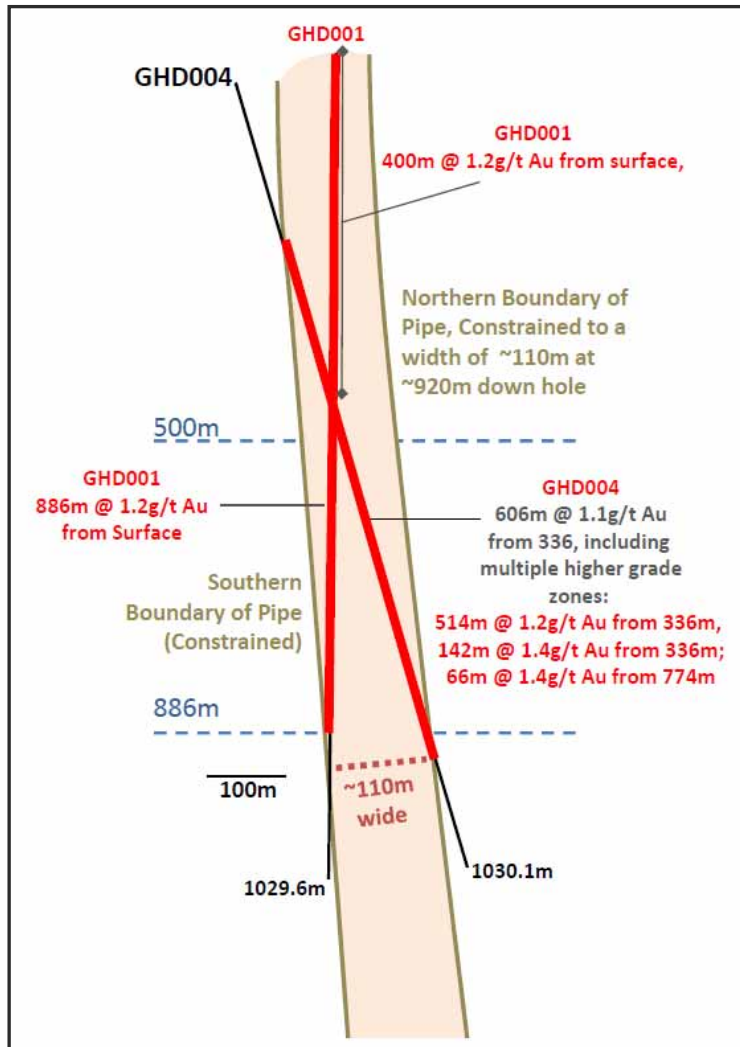
3D image of Hobbs Pipe based on drilling data (view toward SE)





Hobbs Pipe continuous gold over a vertical kilometre

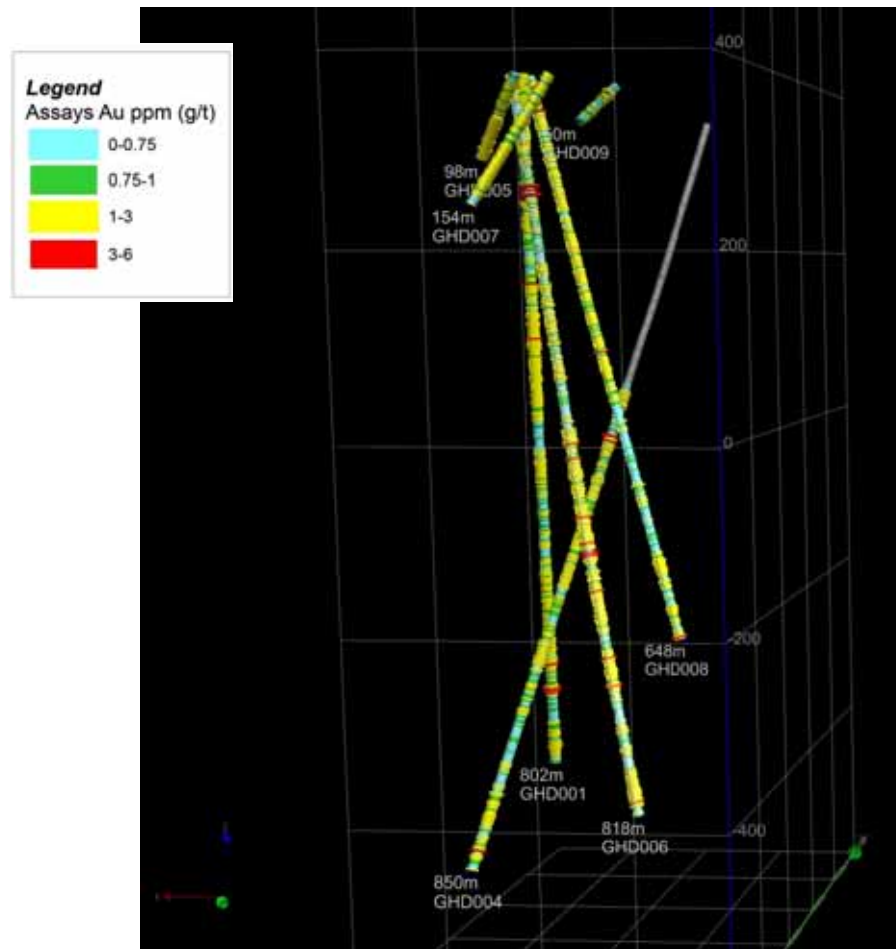
GHD001 to
GHD004
delineates
pipe –
920m by
110m x
200m



Hole	From (m)	To (m)	Interval	Au g/t
GHD001	0	886	886	1.2
<i>Including</i>				
GHD001	0	720	702	1.3
GHD001	0	400	400	1.4
GHD001	292	396	104	1.6
GHD001	300	350	50	1.9
GHD001	622	718	96	1.6
GHD001	674	716	42	1.8
GHD004	336	942	606	1.1
<i>Including</i>				
GHD004	336	850	514	1.2
GHD004	336	478	142	1.4
GHD004	340	358	18	1.9
GHD004	388	406	18	2.2
GHD004	488	560	72	1.3
GHD004	618	672	54	1.4
GHD004	774	840	66	1.4



Hobbs Pipe continuous gold over a vertical kilometre



Hole	From (m)	To (m)	Interval	Au g/t
GHD005	0	100	100	1.4
	<i>Including</i>			
GHD005	8	100	92	1.5
GHD005	44	96	52	1.7
GHD006	0	826	826	1.3
	<i>Including</i>			
GHD006	400	578	178	2.0
GHD006	400	808	408	1.6
GHD007	0	145	145	1.3
GHD008	6	489	483	1.2
	<i>Including</i>			
GHD008	6	62	56	1.7
GHD008	6	134	128	1.5

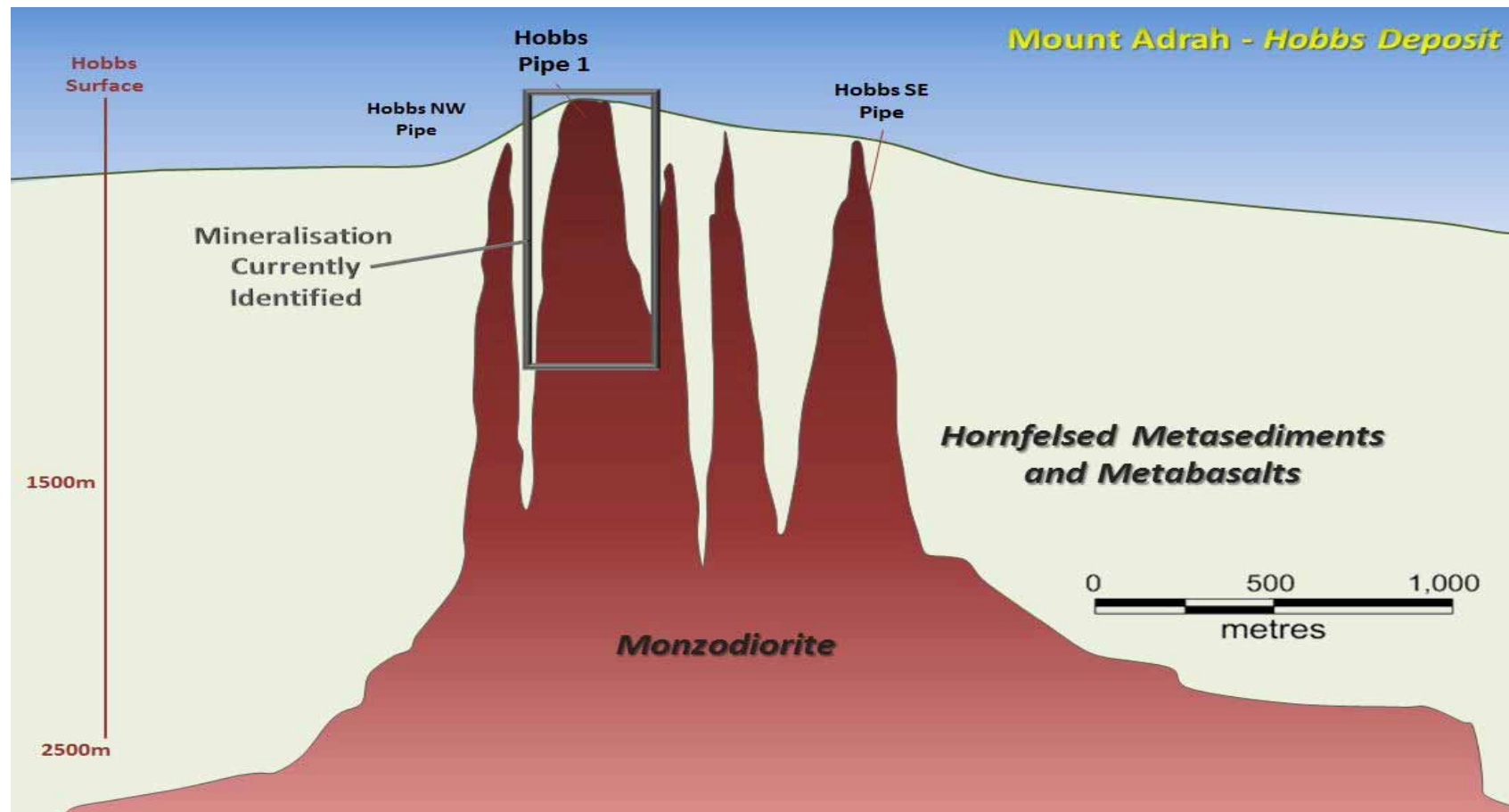


Gold in altered monzodiorite with quartz stockwork





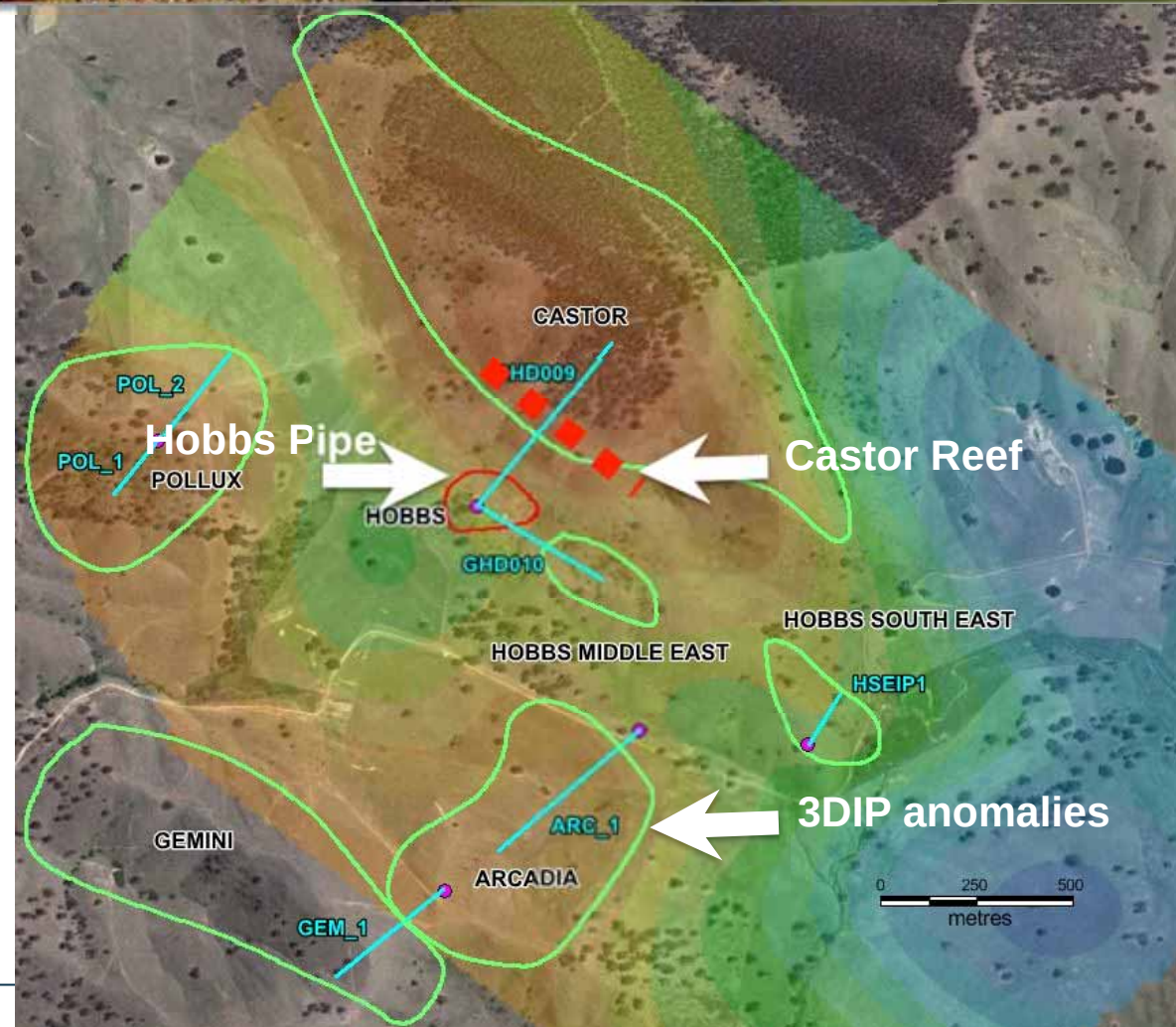
Mount Adrah's multiple pipe targets concept

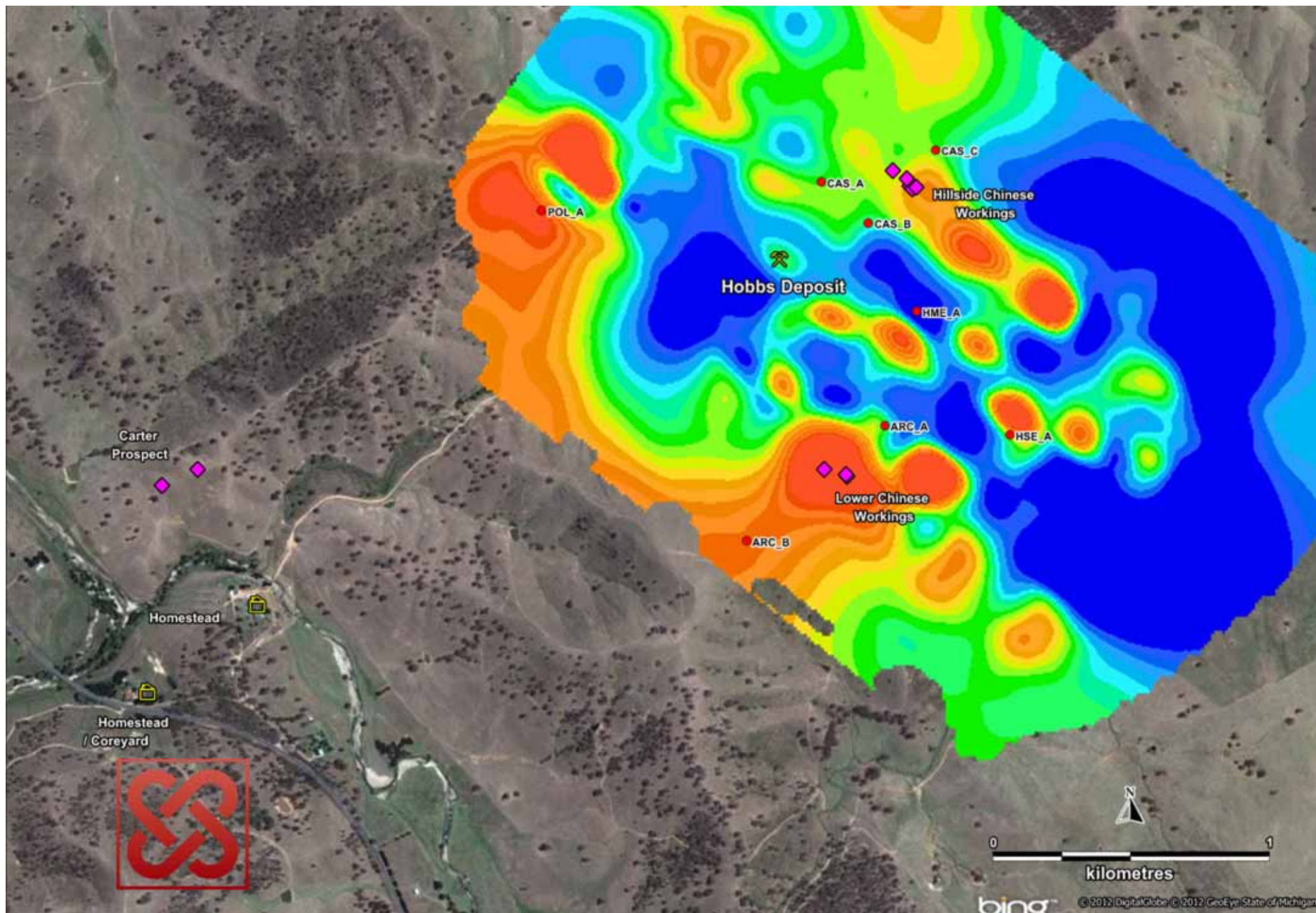




Accelerating exploration program 2014

- Resource drill-out of Hobbs Pipe
- Further drill testing of high-grade Castor Reef
- Evaluate multiple 3D induced polarisation targets
- Progress scoping studies towards pre-feasibility studies for project economics







Castor Reef

The high-grade intersection of **10m @ 17.7g/t Au** from 506m including **2m @ 59.4g/t Au** from **514m** were returned in hole **GHD009**, at the **Castor Reef**.

“The presence of high grade gold structures proximal to the Hobbs intrusion-hosted gold mineralisation adds a significant dimension to the potential scale and economics of the project.”



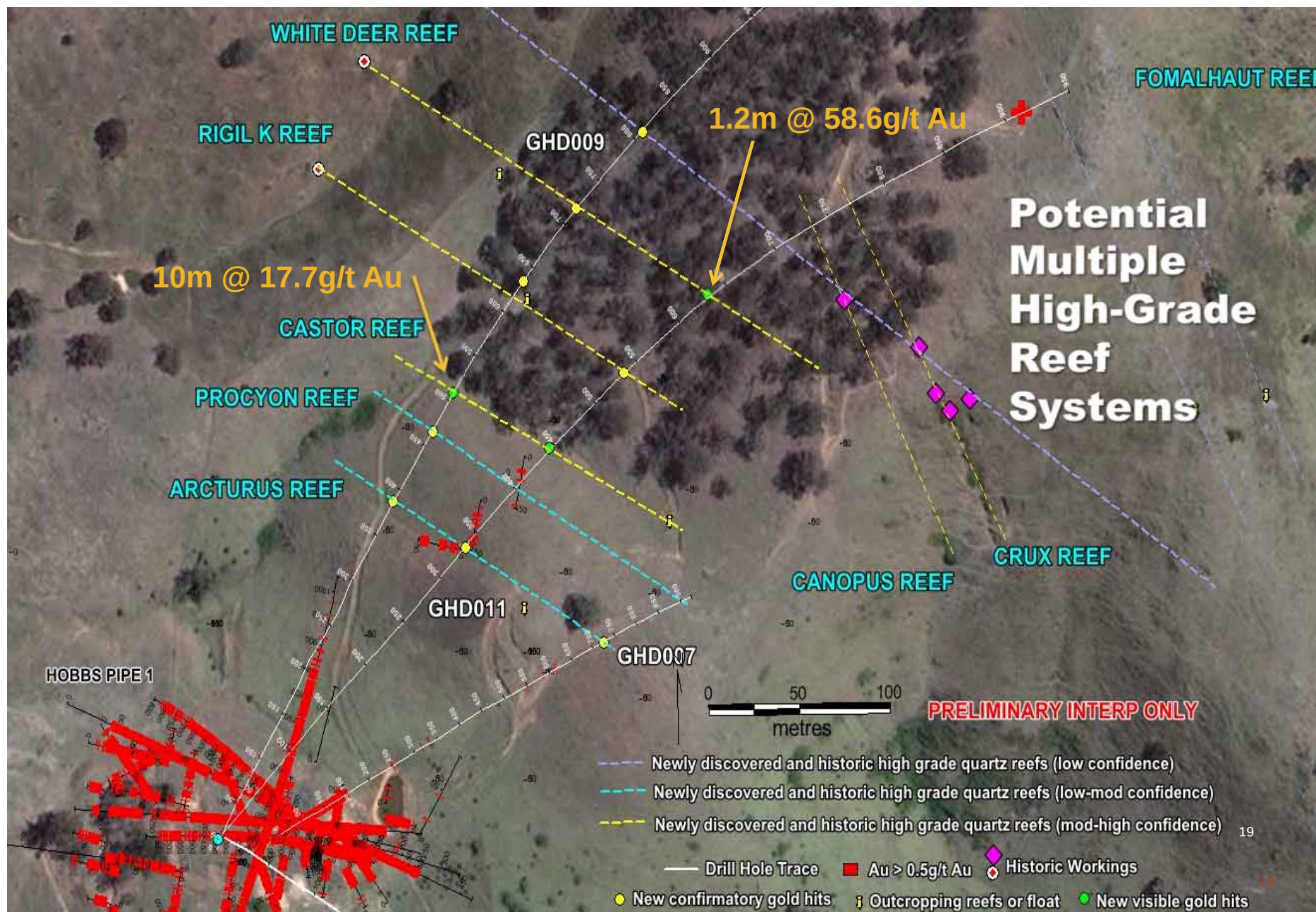


White Deer Reef



Further high grade gold was discovered in the **White Deer Reef**, a parallel structure ~50m to the NE of the Castor Reef.

1.2m @ 58.6g/t Au





Potential Multiple High-Grade Reef Systems

CASTOR REEF



RIGIL K REEF

FOMALHAUT REEF

WHITE DEER REEF



MULTIPLE HIGH GRADE REEFS

PROCYON REEF



ARCTURUS REEF



VEGA REEF

CRUX REEF



Value Pathways: Discovery

❖ Discovery

- Multiple Hobbs-style monzodiorite pipes
- Large Stockwork and skarn hosted vein and alteration zones
- Parallel high grade reef structures
- Numerous Hobbs-proximal targets that could form part of the initial mine plan
- Regional systems potential for standalone mining centres or to feed central Mount Adrah plant



Hobbs-type mineralisation



Stockwork vein mineralisation



Narrow vein high grade reefs



HOBBS SOUTH EAST
SEIP1

Hobbs Pipe: JORC 770,000 oz resource and growing

Depth to 700m – Various cut-offs

Category	Tonnes (Mt)	Grade (g/t)	Ounces
Indicated	12.1	1.1	440,000
Inferred	8.4	1.1	330,000
Total	20.5	1.1	770,000

Differences may occur due to rounding.

The information is extracted from the report entitled *Hobbs Pipe Mineral Resource Update Additional Information* created on 27 December 2013 and is available to view on www.sovereigngold.com.au/investors.htm. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.





Scoping pathway to low cash cost

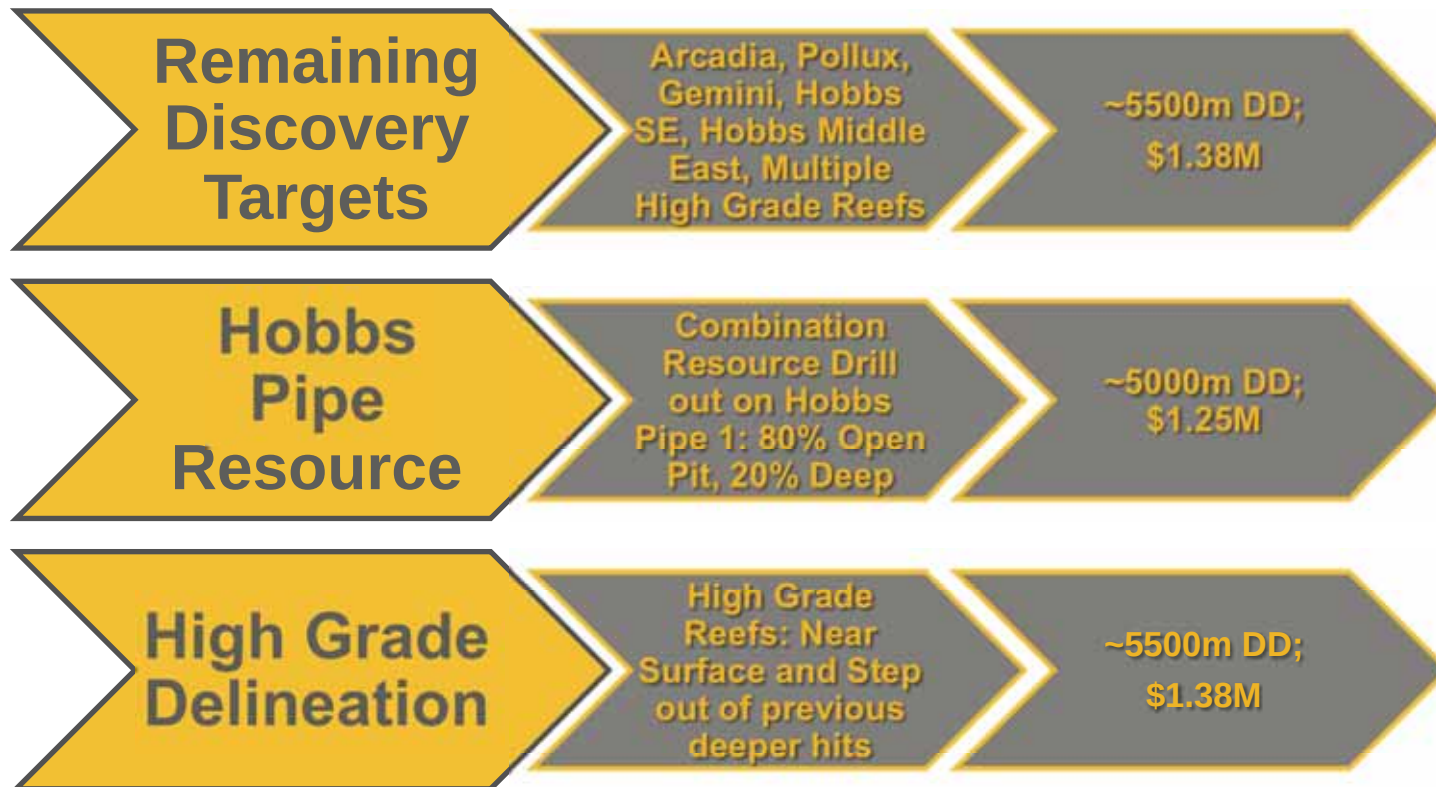
Scoping study

- ⌘ November 2013 desktop study initiated with GR Engineering – initial focus on the metallurgical, caveability, milling studies and development options
- ⌘ Metallurgy test results received from ALS Burnie have confirmed high recoveries in flotation concentrates:
 - ⌘ 9.6% free gold
 - ⌘ 96% of gold recovered in rougher flotation concentrate
 - ⌘ 95.6% of gold in rougher flotation concentrate recovered through BIOX process
 - ⌘ Rougher flotation concentrate gold grade is 20.7 ppm with 94.9% gold recovery for 92% overall gold recovery
- ⌘ Development concept: Project development studies for Early Cash Flow Potential
 - ⌘ Large Scale Open Cut – Hobbs Pipe, very low stripping ratio
 - ⌘ High-grade narrow vein operation – low Capex-Opex



Exploration and Resources Pipeline

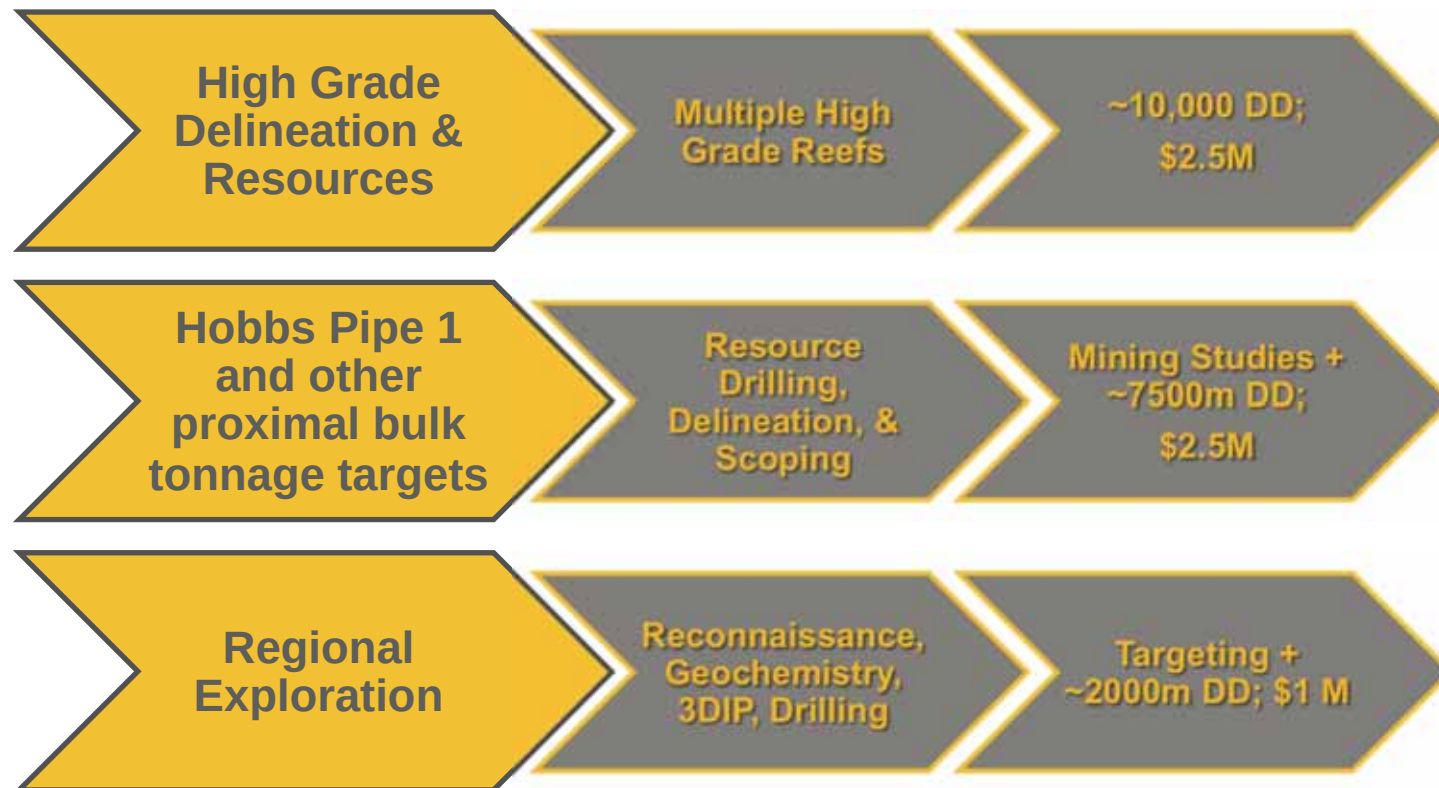
Next Phase Drilling: Stage 2 January 2014 – June 2014





Exploration and Resources Pipeline

Proposed Stage 3 Drilling & Development July 2014 – December 2014





SOVEREIGN GOLD
COMPANY LIMITED

Mount Adrah Gold
Project - Shaping up
as a major discovery
ASX:SOC

Michael Leu, CEO Sovereign Gold Co
+61 2 9251 7177, +61 427 000 600
mleu@sovereigngold.com.au

Kris Butera, CEO Gossan Hill
Mobile +61 407 172 250
kbutera@gossanhillgold.com.au

Appendices





Strong infrastructure to support development

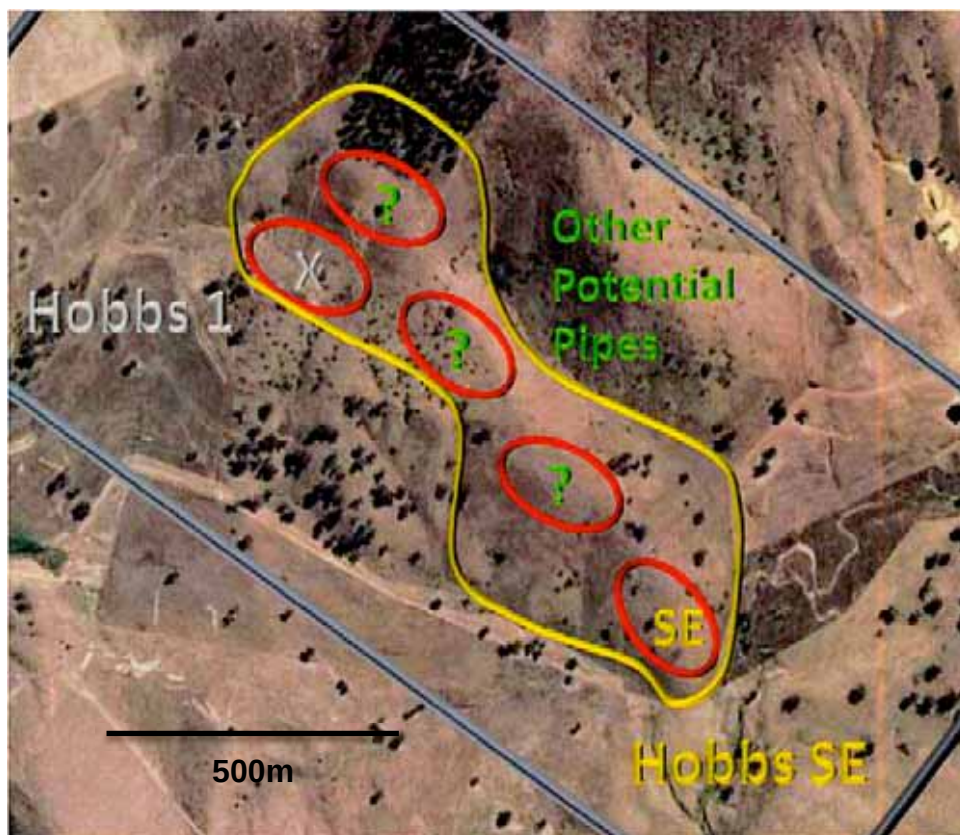
- ❧ ~400km south west of Sydney
- ❧ 45km from Wagga Wagga with major engineering services, airport, quality workforce
- ❧ 10km to Hume Highway and rail
- ❧ Available water, power
- ❧ Close to Adelong, Tumut
- ❧ Good community and landholder relations



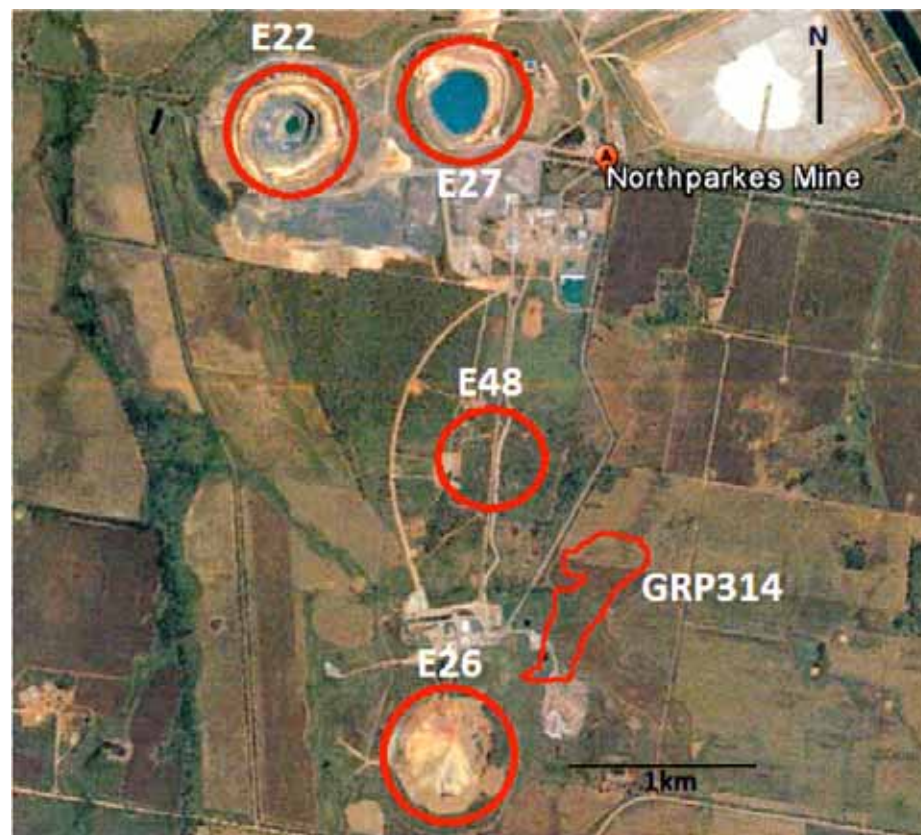


Mount Adrah and Northparkes Pipes

Mount Adrah: Red circular outlines show conceptual pipe targets indicated with geochemistry and geophysics



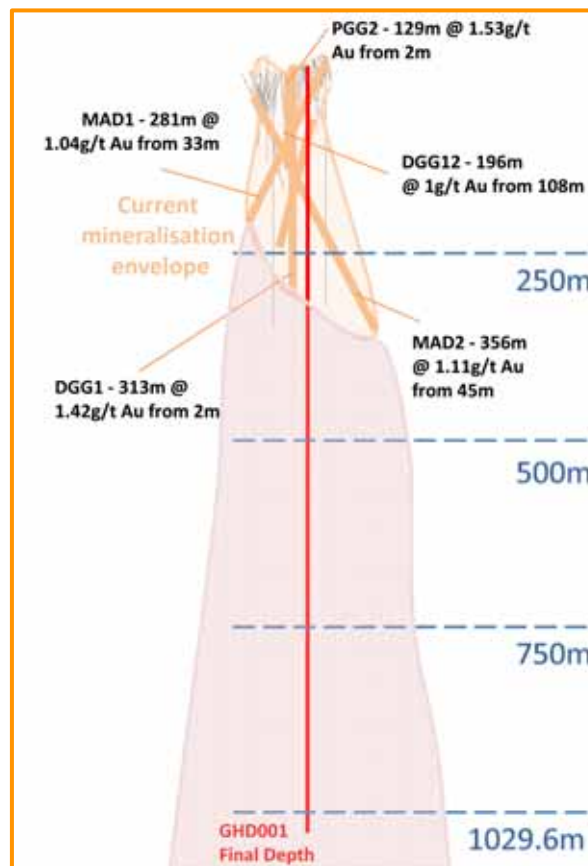
Northparkes mine (8Moz Eq.): A cluster of mineralised intrusive pipes sitting alongside a major intrusion



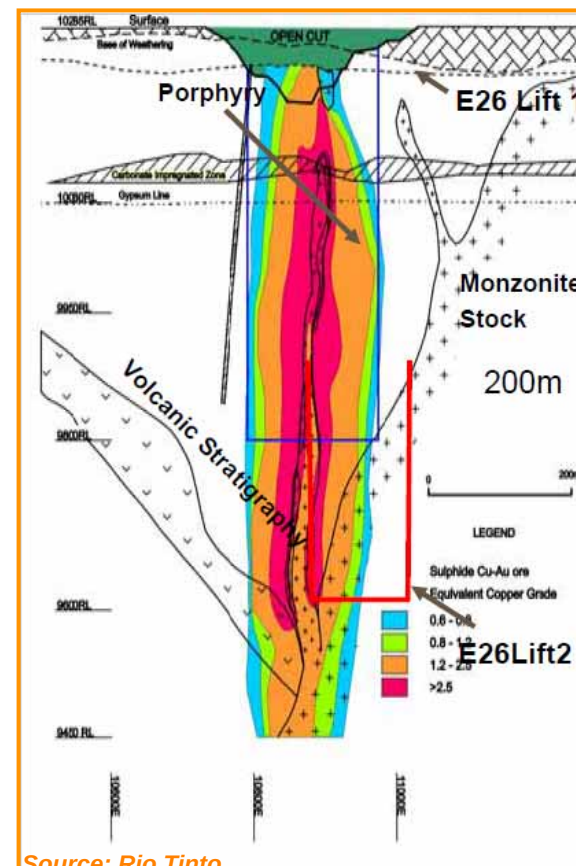


Mount Adrah comparable to Rio's E26 Northparkes

- ❧ Data shows that Mount Adrah has potential geological similarities to Rio Tinto's Endeavour (Northparkes) mines (8Moz) with multiple gold-bearing pipes
- ❧ Mount Adrah's Hobbs Pipe is shaped like Rio Tinto's world-class 'pipes'
- ❧ Northparkes has 12 sub-cylindrical pipes that extend vertically, some over 900m



Mount Adrah Hobbs Pipe



Source: Rio Tinto

Northparkes E26 pipe



Quality targets within short haulage distance

Diggers Creek:

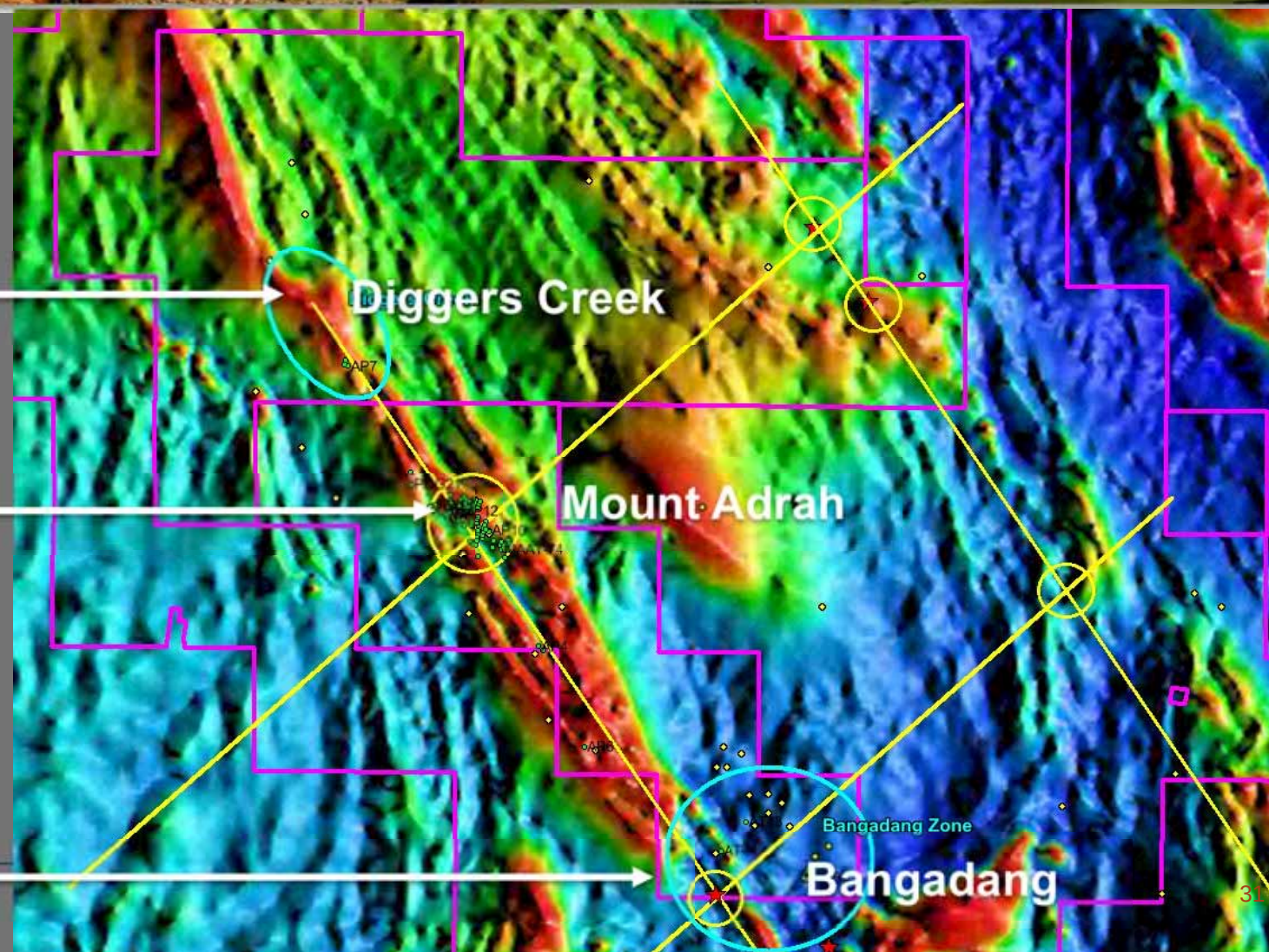
Shows high gold geochemical peak anomaly

Mount Adrah:

Newly identified extensive gold-mineralised system

Bangadang:

Multiple historical gold mines. Airborne geophysical survey has identified multiple magnetic and radiometric anomalies





Strong board - commercial, governance and technical



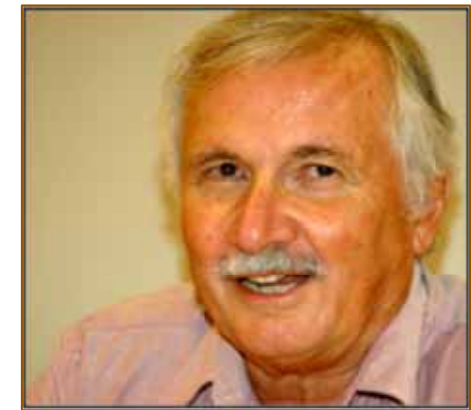
❧ **John Dawkins AO, Chairman**
Former Federal Government Minister for Trade and Treasurer of Australia. Adviser to World Bank and OECD

❧ **Michael Leu, Executive Director**
Over 30 years' experience in range of mineral commodities in Australia and Asia-Pacific region. A leading expert in Intrusion-Related Gold Systems



❧ **Jacob Rebek, Non-Executive Director**
45 years exploration experience. Highly regarded mine-finder. Senior exploration management positions in CRA and Rio Tinto

❧ **Peter Meers, Non-Executive Director**
Broad business experience including consumer, commercial and investment banking, and mining





Mount Adrah 2014 exploration plan

1. First pass discovery drilling on a number of newly identified targets (3DIP, Geochemical and Geological targets). Approximately 5000m of diamond drilling planned for the Hobbs local area (within 800m of the Hobbs Pipe 1 system).
2. Step-out and delineation drilling on newly discovered Hobbs-style intrusion hosted, high grade narrow vein, and stockwork vein gold deposits.
3. Preliminary metallurgical and mineability studies on the various styles of mineralisation
4. Mineral Resource drill out of the deposits identified, starting with the systems that have the best prospects of becoming economic mines
5. Detailed scoping study based on the project scale, preliminary metallurgical and mineability studies, and deposit styles delineated through discovery and resource inventory building
6. Ongoing regional target generation, reconnaissance and drilling and succession planning for continued project and value growth



SOVEREIGN GOLD
COMPANY LIMITED

