



SOVEREIGN GOLD COMPANY LIMITED

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

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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 72% 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 Mount Adrah 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
4th February 2014

Gossan Hill Developments

- **Executive movements**
- **Gossan Hill shareholders approve placement**
- **2014 program development**

Sovereign Gold Company Limited (**Sovereign Gold**) (ASX: SOC) holds 72% of Gossan Hill Gold Limited (**Gossan Hill**).

Gossan Hill is exploring a newly identified Intrusion Related Gold System in southeastern NSW, centred on the Mount Adrah Project.

Executive Movements

Julian Malnic has been appointed CEO of the Mount Adrah Project.

Julian Malnic is a professional geologist and company builder whose career spans a wide range of industry activity including exploration (specialising in gold), mine assessment, corporate management and development, and industry media.

He is Chairman of the Sydney Mining Club, which he founded in 1997 and under his leadership it has grown to be Sydney's leading forum for mining executives, professionals and suppliers.

In 1995, Julian founded Nautilus Minerals (listed on the Toronto and London exchanges) the world's first company to be granted exploration licences to newly discovered, high-grade seafloor massive sulphide deposits.

Julian subsequently founded Direct Nickel (**DNi**) in 2005 after having identified the potential of precursor technologies for treating nickel laterites.

He worked as Executive Chairman of DNi up until Sept 2012 and led the DNi team in developing the DNi Process. It has successfully tested a wide array of ore types, defined its efficient and wide spectrum capabilities, and forged strong technical and financial partnerships with Teck Resources Limited, PT Antam, and the CSIRO.

Appointment of Senior Consultant

Kris Butera has stood down as director and CEO of Gossan Hill and will continue as a Senior Consultant to Gossan Hill.

Subscription Agreement Approved

Shareholders of Gossan Hill yesterday approved the share subscription and option agreement (**Subscription Agreement**) between Gossan Hill and 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**) (ASX: 9/10/2013).

Consequent to the shareholders meeting:

- Gossan Hill will increase the number of Gossan shares on issue to 192,000,000.
- 40,000,000 new ordinary shares (**Subscription Shares**) will be issued to AceA representing 17.2% of the enlarged share capital of Gossan Hill, at a subscription price of A\$0.05 for each Subscription Share for a total A\$2,000,000.
- AceA has been granted 40,000,000 options (**AceA Options**), 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 per Option Share.

ICP shareholders approved the Subscription Agreement on 21 January 2014.

Gossan Hill, at completion will have 232,000,000 fully paid ordinary shares on issue and 138,000,000 options, each exercisable at 10 cents, expiring on 3 February 2017.

Exercise of the AceA Options would provide an additional A\$4 million of funding to Gossan Hill.

The put option with Sovereign Gold is at an end.

Sovereign Gold's interest in Gossan Hill following completion of the transaction is 72.11%.

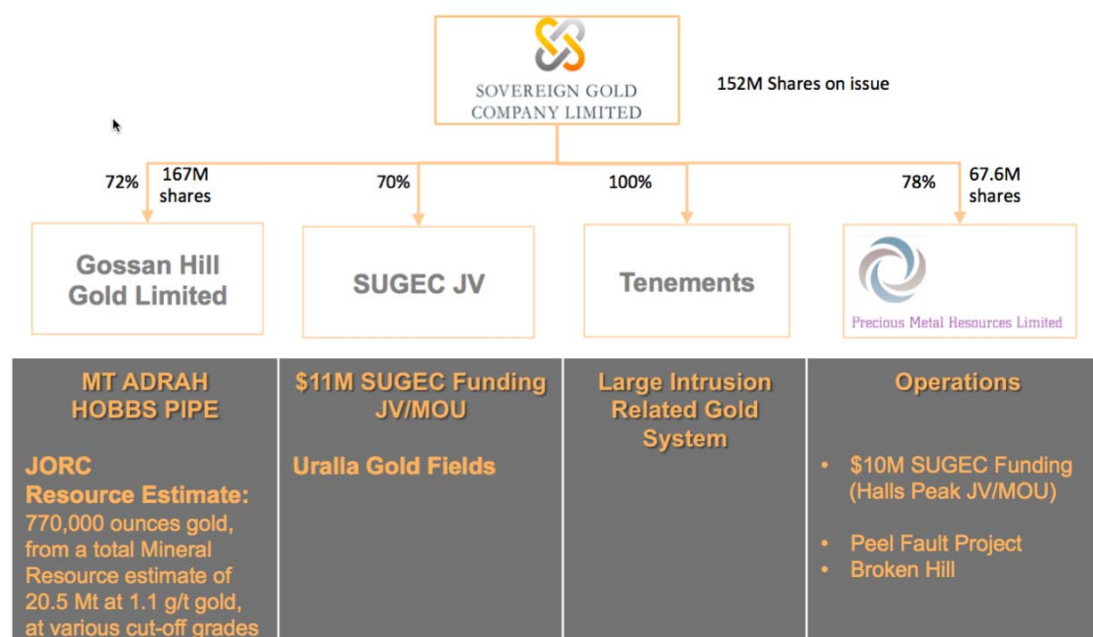
2014 Program Development

Gossan Hill's technical team is developing the 2014 program and budget for consideration and approval by the Gossan Hill board.

For further information please contact:

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The information is extracted from the report entitled "Hobbs Pipe – Mineral Resource Update Additional Information" created 27th 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.