



SOVEREIGN GOLD
COMPANY LIMITED

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04 April 2016

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Sovereign Gold Company Limited – Non-Renounceable Rights Issue

On 01 April 2016, Sovereign Gold Company Limited (**Sovereign Gold** or the **Company**) announced a non-renounceable rights issue (**Rights Issue**) of two (2) fully paid ordinary shares (**New Shares**) for every five (5) existing shares held as at 7.00pm (Sydney Time) on 15 April 2016 (**Record Date**) to shareholders with a registered address in Australia and New Zealand (**Eligible Shareholders**) to raise approximately \$1.2 million (before costs).

The Rights Issue is being made without a disclosure document, pursuant to the exemption granted by section 708AA of the *Corporations Act 2001 (Cth)* as modified by ASIC Class Order 08/35.

The Company will apply to the ASX for quotation of the New Shares. The New Shares will rank equally in all respects with the Company's existing shares. Shareholders who choose not to take up their entitlement will receive no value in respect of their entitlement and their shareholding in the Company will be diluted.

The purpose of the Rights Issue is to raise approximately \$1.2 million, excluding the costs of the Rights Issue. The funds raised from the Rights Issue will be used to provide working capital.

The proposed timetable for the Rights Issue is set out below. The dates are indicative only and the Company reserves the right to vary the dates including the right to extend the Closing Date or to withdraw the right issue (subject to the *Corporations Act 2001 (Cth)* and the ASX Listing Rules).

Announcement of Entitlement Offer	
Submit Appendix 3B to ASX	Friday, 1 April 16
Information Booklet lodged with ASX	
Notice of Entitlement Offer sent to Shareholders	Monday, 4 April 16
Trading on Ex basis	Thursday, 14 April 16
Record Date for the Entitlement Offer (7:00 pm Sydney Time)	Friday, 15 April 16
Completion of despatch of Information Booklet announced	Monday, 18 April 16
Opening Date of Entitlement Offer	Monday, 18 April 16
Closing Date of Entitlement Offer (5:00 pm Sydney Time)	Tuesday, 17 May 16
Trading on deferred settlement basis commences	Wednesday, 18 May 16
ASX notified of under subscriptions (no more than 3 business days after Closing Date)	Wednesday, 18 May 16
Expected date of allotment of the New Shares issued under the Entitlement Offer and the Additional Share Offer (if any)	Friday, 20 May 16
Expected date of despatch of New Shares holding statements under the Entitlement Offer and the Additional Share Offer (if any), and deferred settlement trading ends	Monday, 23 May 16
Normal trading begins	Tuesday, 24 May 16



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Subject to rounding up of any fractional Entitlements, the capital structure of Sovereign Gold following the issue of New Shares under the Entitlement Offer (assuming full subscription under the Entitlement Offer and no unlisted Options are exercised) is expected to be as follows:

Shares on issue as at 01 April 2016 (announcement of the Entitlement Offer)	992,113,745
Options on Issue	Nil
New Shares to be issued under the Entitlement Offer	393,613,914
Options to be Issued	Nil
Shares on issue following the close of the Entitlement Offer, the Additional Share Offer and the Placement	1,385,727,659
Options on Issue following the close of the Entitlement Offer, the Additional Share Offer and the Placement	Nil

Eligible Shareholders will receive a copy of the Offer Document and a personalised entitlement and application form (**Application Form**) shortly. You must follow the instructions in the Application Form to take up your entitlements.

The Offer Information Booklet in relation to the Rights Issue was lodged with the Australian Securities Exchange (**ASX**) on 01 April 2016 and is available on the ASX website and also on Sovereign Gold's website www.sovereigngold.com.au.

The Rights Issue is not underwritten.

An Appendix 3B applying for quotation of the New Shares was lodged with the ASX on 01 April 2016.

Any person considering acquiring shares under the Rights Issue should read the Information Booklet carefully. Applications for shares under the Rights Issue may only be made using the Application Form to be attached to, or accompanying the Information Booklet. Securities will only be issued on the basis of an Application Form issued together with the Information Booklet.

Unless defined within, capitalised terms used in this announcement have the same meaning given to those terms in the Information Booklet.

Sovereign Gold encourages all Eligible Shareholders to participate in the capital raising.

Please contact the Company Secretary on +61 2 9251 7177 if you have any queries regarding the Rights Issue or your eligibility to participate in the Rights Issue.

Yours faithfully,

Rocco Tassone
Managing Director