



SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
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Latest News

www.sovereigngold.com.au

Directors / Officers

Charles Thomas (Chairman)
Rocco Tassone (MD)
Patrick Glovac

ASX: SOC

Qualifying Statements

The information regarding the Mineral Resource is extracted from the report entitled "Hobbs Pipe Mineral Resource Update Additional Information" created 27th December 2013 and is available to view on 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.

ASX Release
12 May 2016

Lithium and Gold Direction

- Strategic review completed by the Board of Directors
- Gold and Lithium identified as priority resources
- Board is currently in discussions regarding potential international Lithium opportunities, targeting projects near known well documented lithium discoveries and production operations
- Mt Adrah Gold Project remains a strong focus for the company which contains a Mineral Resource estimate of 770,000 oz of gold (440,000 oz Indicated; 330,000 oz Inferred) within a total Mineral Resource estimate of 20.5 Mt at 1.1 g/t gold, at various cut-off grades
- Independent consultants Cadre Geology and Mining Pty Ltd appointed to Mt Adrah project
- Board also continues to assess additional opportunities in the Gold sector with a focus on sizeable potential and short lead-time to development
- Rights Issue to be extended to 20 May 2016

Sovereign Gold Company Ltd (**Sovereign Gold or the Company**) (**ASX Code: SOC**) is pleased to advise shareholders the Board of Directors has completed a strategic review on its assets and company direction. The board sees considerable upside to shareholder value by delivering quality Gold and Lithium opportunities to add to its existing resources portfolio.

Sovereign Gold has been assessing domestic and international gold and lithium opportunities with a focus of acquiring projects near known well documented Lithium discoveries and production areas.

The Board is currently in discussions regarding a Lithium opportunity, which satisfies its investment criteria and will advise the market if discussions become exclusive.

In keeping with the board gold focus, it has appointed independent consultants Cadre Geology and Mining Pty Ltd ("**Cadre**") to work with Sovereign's chief geologist Michael Leu to review prospectivity, scrutinise potential for mining operations, review drill hole data and undertake resource development planning. Mt Adrah remains a strong focus for the company and intends to fund drilling using its own funds or seeking a joint venture partner.

The Company believes the additional acquisition of prospective gold and lithium assets will strength its resources portfolio and provide upside to shareholders. Sovereign is not limiting its scope to Australia or deposit style, but is seeking a significant project of demonstrable potential, size and, ideally, short lead time to development.

Rights Issue

The recently announced non-renounceable rights issue to Eligible Shareholders has been extended and will close 5pm Sydney time on 20 May 2016.

The updated timetable for the remainder of 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).

Key dates for investors

Closing Date of Entitlement Offer (5:00 pm Sydney Time)	Friday, 20 May 16
Trading on deferred settlement basis commences	Monday, 23 May 16
ASX notified of under subscriptions (no more than 3 business days after Closing Date)	Monday, 23 May 16
Expected date of allotment of the New Shares issued under the Entitlement Offer and the Additional Share Offer (if any)	Wednesday, 25 May 16
The issue date and date of dispatch of New Shares holding statements under the Entitlement Offer and the Additional Share Offer (if any); and deferred settlement trading ends	Thursday, 26 May 16
Normal trading begins	Friday, 27 May 16

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.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

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.

For further information please contact:

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