



SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
ACN 145 184 667

Suite 7, 234 Churchill Avenue
SUBIACO WA 6008
Tel: +61 8 6500 6872

Contact

Rocco Tassone, Managing Director

e: corporate@sovereigngold.com.au

Latest News

www.sovereigngold.com.au

Directors / Officers

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

ASX: SOC

Qualifying Statements

The information in this Report that relates to Exploration Information is based on information compiled by Michael Leu who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

Mr Leu is a qualified geologist and is the Chief Geologist of Sovereign Gold Company Limited.

Mr Leu has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources. Mr Leu consents to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

ASX Release
4 October 2016

Lithium Drilling Over 2km Strike Expanded – Assays Pending

- Four Diamond Drill Holes Completed on Lithium-Bearing Pegmatites Chappais Lake and Dempster L61
- Cores sent for Assay and results expected in October
- Diamond drilling program now increased to approximately 700 metres
- Drilling continues at the lithium-bearing pegmatite Dempster 61, with total Lithium-bearing pegmatites traced northeast for over 2km of strike length.
- Second field crew on site exploring along strike from Ardiden's (ASX:ADV) adjoining claims, North Aubry and Pye pegmatite swarms, located close to SOC's property line.
- Update from second field crew at North Aubry due shortly

Sovereign Gold Company Limited (ASX: SOC) (**Sovereign** or the **Company**) is pleased to announce that four diamond drill holes have been sampled and dispatched for assaying at the highly prospective Crescent Lake project

Lithium-bearing pegmatites have traced northeast for over 2km of strike length. Initial diamond drilling is targeting four lithium-bearing pegmatites in the north-east portion of SOC claims, Chappais Lake, Dempster L61, L40 and L28 (Figures 1 and 2). To date three holes have been completed on the Chappais Lake lithium-bearing pegmatite and one on the Dempster L61 pegmatite. Further holes are underway at Dempster L61 deposit that hosts two separate lithium-bearing pegmatites.

The drill rig will proceed northeast to drill lithium-bearing pegmatites Dempster L40 and Dempster L28.

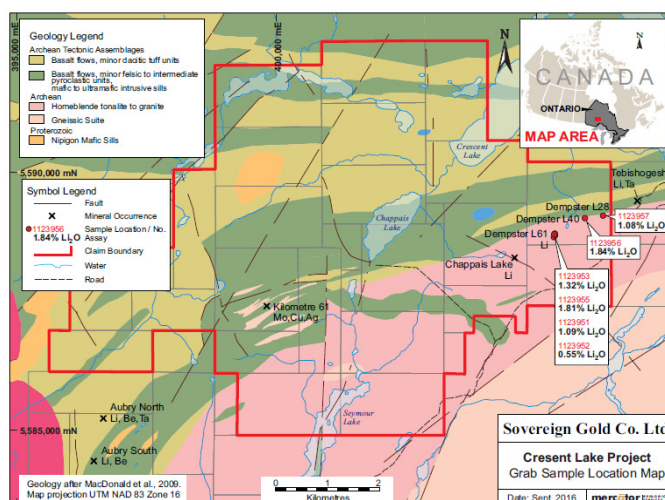


Figure 1: Lithium Oxide assay results from pegmatites Dempster: L61, L40 and L28.

After completion of the drilling of the northeast pegmatites the drill rig will proceed southwest to test targets along strike from Ardiden's (ASX:ADV) adjacent claims that hosts the North Aubry and Pye lithium-bearing pegmatites



Sovereign Gold Company Ltd (Sovereign Gold or Company) (ASX: SOC) has secured an exclusive option to acquire 100% of 28 unpatented mining claims (317 Claim Units, 5,072 hectares, 50.72km²) (Sovereign Claims) within the Crescent Lake Lithium Prospects in Ontario, Canada. SOC's claims extend northeast 11.5kms from its contact with the north-western boundary of Ardiden Ltd.'s (ASX:ADV) Seymour Lake Lithium Project to Argonaut Resources Ltd.'s (ASX:ARE) Zigzag claims (Crescent Lake area) that contain lithium-bearing pegmatites.

Managing Director Rocco Tassone stated "We are excited that the drilling program is proceeding rapidly and efficiently. Drill core is now being regularly sampled and sent for assay. The second team is exploring for lithium mineralisation in the southwest zone of Sovereign's claims along strike from Ardiden's claims. We are looking forward testing further targets in this area after completion of the drilling program in the northeast."

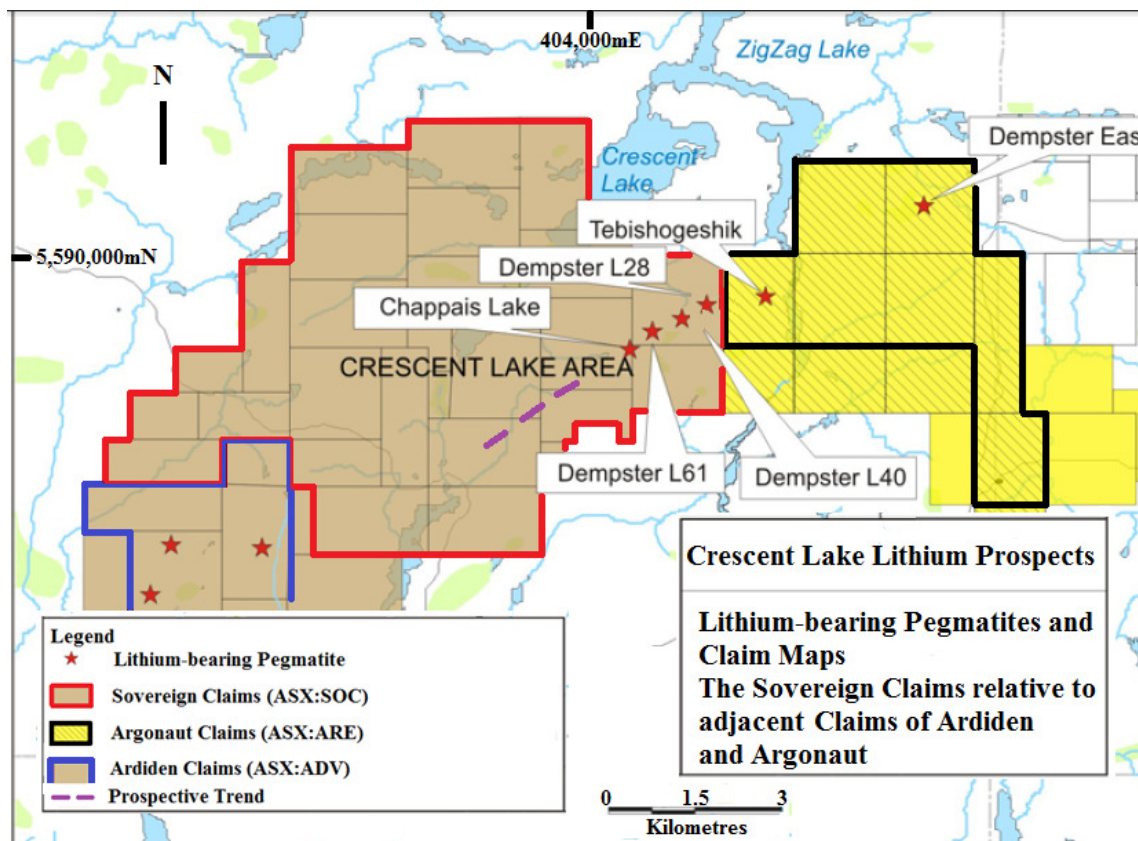


Figure 2: Lithium-bearing Pegmatites and claim map. The Sovereign Claims relative to the adjacent claims of Ardiden and Argonaut. Drilling program underway for Chappais Lake, Dempster L61, Dempster L40 and Dempster L28. The Sovereign Claims are underexplored and the geological team will also explore along a highly prospective north-east trend of volcano-sedimentary host rocks that parallels an adjacent intrusive contact. They will especially focus on the area trending north-east from Ardiden's Claims as this may result in discovery of new pegmatites.

For further information please contact:

Rocco Tassone,
Managing Director
Sovereign Gold Company Limited

Telephone: +61 8 6500 6872