



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

ASX Release
10 November 2016

Nevada Lithium – proposed IPO into Marquee Resources

Sovereign Gold Company Limited (ASX: SOC) (**Sovereign or the Company**) advises that the Board of Directors have resolved to spin-off the Clayton Valley (Nevada) Lithium Project into the newly formed Marquee Resources Limited (**Marquee Resources**).

It is intended that Marquee Resources will undertake an Initial Public Offer and seek an ASX listing in conjunction with the spin off. **Sovereign shareholders will benefit via the retention by Sovereign of a significant shareholding in Marquee Resources.**

Sovereign shareholders will also be offered a priority entitlement to subscribe for shares in the Marquee Resources IPO. The Directors of Sovereign believe that the spin off and IPO provides the best avenue for Sovereign to realise potential significant value from the Company's Nevada Lithium assets whilst still enjoying any upside in the new entity.

This proposed spin-off is consistent with Sovereign's core corporate focus to maximise shareholder value of its assets across Gold, Lithium and Base Metals. Providing the Clayton Valley Lithium Project with its own vehicle will allow the Company to unlock the full potential of this highly prospective asset.

The Company has sought guidance from the ASX with respect to Listing Rule 11.4. Shareholder approval may be required in the event ASX determines the Clayton Lithium Project to be a major asset.

The Company is currently conducting a Diamond drill program at Halls Peak to test the high-grade extensions of Zinc and Silver where the Diamond drill will then move to Mt Adrah to commence a drill program of more than 1200m. The Crescent Lake Lithium project is currently awaiting assays and further exploration will be planned following the release of these results.

Further details will be released as they become available.

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