



SOVEREIGN GOLD
COMPANY LIMITED

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19 May 2015

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Sovereign Gold Company Limited – Non-Renounceable Rights Issue

On 18 May 2015, Sovereign Gold Company Limited (**Sovereign Gold** or the **Company**) announced a non-renounceable rights issue (**Rights Issue**) of one (a) fully paid ordinary share (New Shares) for every one (1) existing share held as at 7.00pm (Sydney Time) on 1 June 2015 (**Record Date**) to shareholders with a registered address in Australia and New Zealand (**Eligible Shareholders**) to raise approximately \$790,000 (before costs).

The Rights Issue is being made without a disclosure document, pursuant to the exemption granted in 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 \$790,000, excluding the costs of the Rights Issue. The funds raised from the Rights Issue will be used to fund debt retirement and 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 Information Booklet lodged with ASX	Monday, 18 May 15
Notice of Entitlement Offer sent to Shareholders	Tuesday, 19 May 15
Trading on Ex basis	Thursday, 28 May 15
Record Date for the Entitlement Offer (7:00 pm Sydney Time)	Monday, 1 June 15
Completion of despatch of Information Booklet announced	Thursday, 4 June 15
Opening Date of Entitlement Offer	Thursday, 4 June 15
Closing Date of Entitlement Offer (5:00 pm Sydney Time)	Friday, 3 July 15
Trading on deferred settlement basis commences	Monday, 6 July 15
ASX notified of under subscriptions	Wednesday, 8 July 15
Issue date of New Shares	Friday, 10 July 15
Despatch of New Shares holding statements and deferred settlement trading ends	Friday, 10 July 15
Normal trading begins	Monday, 13 July 15

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Subject to rounding up of 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 18 May 2015 (announcement of the Entitlement Offer)	396,845,499
Options on Issue	1,800,000
New Shares to be issued under the Entitlement Offer	396,845,499
Options to be Issued	Nil
Shares on issue following the close of the Entitlement Offer, the Additional Share Offer and the Placement	793,690,998
Options on Issue following the close of the Entitlement Offer, the Additional Share Offer and the Placement	1,800,000

The Rights Issue will have no effect on the number of unlisted Options on issue in the capital of the Company, unless the holders prior to the Record Date exercise these Options.

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 18 May 2015 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 18 May 2015.

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,

Simon Bird
Managing Director

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