



SOVEREIGN GOLD
COMPANY LIMITED

Sovereign Gold Company Limited
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Latest News

www.sovereigngold.com.au

Directors / Officers

John Dawkins AO
Non-Executive Chairman

Simon Bird
Managing Director

Michael Leu
Executive Director

Charles Thomas
Non-Executive Director

Rocco Tassone
Non-Executive Director

ASX Symbol: 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 a director 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.

Corporate Structure & Company Update

HIGHLIGHTS

- Successful completion of recent rights issue and placement which raised a combined total of \$1,122,126 (before costs)
- Sovereign Gold (SOC) to be completely debt-free with balance of company debt to be repaid from the proceeds of recent sale of non-core asset
- Lodgement of R&D Tax Incentive claim has the potential to return \$1.235M spent on R&D to Sovereign Gold
- Expects to update the market shortly regarding its pending potential \$2M JV with Chinese consortium at its flagship Gold Resource Mt Adrah 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
- SOC expects to update the market shortly regarding its fully funded aggressive 2015 Drilling Campaign
- Diamond drilling at the Rocky River Gold Project commenced
- SOC actively pursuing opportunities to enhance shareholder value

Sovereign Gold Company Ltd. (Sovereign Gold or the Company) (ASX Code: SOC) is pleased to provide an update on the Company and its corporate structure, following the recent successful placement and rights issue, which the Directors believe, is a significant step forward for the Company and its shareholders.

Raising the \$1,122,126 has enabled Sovereign Gold to completely pay off the loan to Bergen and reduce the loan to Hudson Corporate, with the balance of this loan to be repaid from the sale of Frontier Capital Group (FCG) shares announced on 1 April 2015, expected to settle in April 2016, during this period no further interest will be accrued.

Sovereign Gold is now in a financial position that allows it to plan a full and complete drill program of its assets.

Sovereign Gold's geoscience technical team are leaders in the research and development of new methodologies and new knowledge on defining

* 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 www.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.



diagnostic mineralisation characteristics of Intrusion-Related Gold Systems (**IRGS**). This ground-breaking research forms the basis of the R&D Tax Incentive claim.

Sovereign Gold expects to update the market shortly regarding finalisation of the recently announced (13 May 2015) JV funding agreement with a Chinese Consortium (**Consortium**) to progress exploration of Mount Adrah Gold Project (EL6372). The Consortium can earn up to 50% through funding up to \$2M.

With drilling recently commenced at high-grade targets in the Rocky River project the Company looks forward to outlining its Fully Funded and aggressive drilling campaign in the coming weeks. The Company also intends to actively pursue other opportunities that may increase shareholder value.

Simon Bird, Sovereign Gold Company Limited Managing Director commented "The second half of 2015 is a completely fresh start for Sovereign Gold and its shareholders, with the recent cash injection, retirement of debt, aggressive drill campaign and significant \$2M JV, we look forward to delivering significant value to our shareholders".

For further information please contact:

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