SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
ACN 145 184 667

Level 2, 131 Macquarie Street
Sydney NSW 2000
Tel: +61 2 9251 7177
Fax: +61 2 9251 7500

Contact
Simon Bird MD

email: corporate@sovereigngold.com.au

Latest News
www.sovereigngold.com.au

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.

ASX Release
29 July 2015

High Grade Results up to 51.3g/t Au Discovered

HIGHLIGHTS

- **High grade samples from historical mines in Bangadang area returned:**
  - **51.3g/t Au and 20.8g/t Ag (Picture 2)**
  - **36.8g/t Au (Picture 3)**
  - **24.9 g/t Au (Picture 4)**
    previous one of four grab samples returned a gold assay 77g/t Au (ASX Release 3 July 2014)
- **Results assist to prioritise drill targets for upcoming aggressive drilling campaign**
- **Initial mapping indicates some of the gold mineralised structures may have strike lengths in the order of ten to hundreds of metres**
- **SOC expects to update the market shortly regarding its fully funded aggressive 2015 Drilling Campaign**
- **SOC expects to update the market shortly regarding formalisation of the $2M JV and the Mt Adrah Drill Program**

Sovereign Gold Company Ltd. (**Sovereign Gold** or the **Company**) (**ASX Code: SOC**) advises assay results (ALS Certificate BR15094214, Table 1) have been received for 25 grab samples collected as part of the Chinese Consortium's (**Consortium**) Due Diligence on the Mount Adrah-Bangadang area.

Some of the Grab Sample Highlights include:

- **51.3gms/tonne Gold and 20.8gms/tonne Silver:** Historic Mine Breccia Lode 3, Bangadang area
- **36.8gms/tonne Gold:** Historic Mine Comedy King 2, Bangadang area
- **29.8grms/tonne Gold:** Old working developed on narrow quartz-sulphide veins in the metasediments enclosing Hobbs Pipe. The significance of the existence of narrow, high grade gold zones in the overburden of the potential open cut portion of Hobbs Pipe will be investigated in further detail
- **24.9gms/tonne Gold:** Historic Mines Nacki Nacki Eluvial, Bangadang area. In ASX Release 3 July 2014 previous work in the Nacki Nacki area identified potential for a repetition of Hobbs Pipe-style mineralisation. The prospect is interpreted as a weathered cap and alteration halo sitting above a Hobbs-style intrusive pipe. One of four rock grab samples returned a gold assay of 77g/t Au (BANG001) (ASX Release 3 July 2014); taken from scree at surface, likely sourced from underlying geology

Simon Bird, Sovereign Gold Company Limited Managing Director commented, "We are extremely encouraged with the results returned thus far and are confident the Consortium also views these samples as positive.

"It is also important to note Due Diligence didn't extend to the Southern Cross Reef Mine (Bangadang area) as the underground workings had been extensively sampled by Sovereign Gold (ASX Release 22 July 2014) and confirmed the existence of high grade, wide mineralisation. A 3.0m composite channel sample at SW end of the historic crosscut returned 3.0m at 7.22 g/t, including 2.0m at 9.81 g/t".

The samples were preliminary grab samples from either loose float, old mine dumps or chipped from exposures of old workings. They serve to provide a positive indication of potential but should not be construed as the average grade associated with the historic mines. They do however enable the prioritisation of drill targets scheduled for the aggressive drilling program scheduled in the 4th Quarter of this year.

Structures controlling the mineralisation were mostly sub-linear shears zones with sheeted quartz veins. Styles of mineralisation varied from quartz veins with low sulphide content to quartz veins and quartz-flooding with disseminated arsenopyrite and pyrite. The average width of the mineralised structures in the old workings could not be measured accurately as many were infilled and no channel sampling of exposed shears was undertaken. Width is estimated to be narrow and typically less than 0.5 metres.

Initial mapping indicates some of the gold mineralised structures may have strike lengths in the order of ten to hundreds of metres. Also two sets of obliquely oriented mineralised structures were mapped in the Bangadang area. Detailed structural, geochemical and geophysical mapping will be undertaken over these structures. Of particular focus will be the projected intersection zones of structures, as this can result in wider intervals of mineralisation. Shallow drill holes are planned at some of historic mines to better determine the width, grade and nature of the mineralisation.

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 and finalising the $2M JV with the Consortium.

For further information please contact:

Simon Bird, Managing Director or
Henry Kinstlinger, Investor Relations

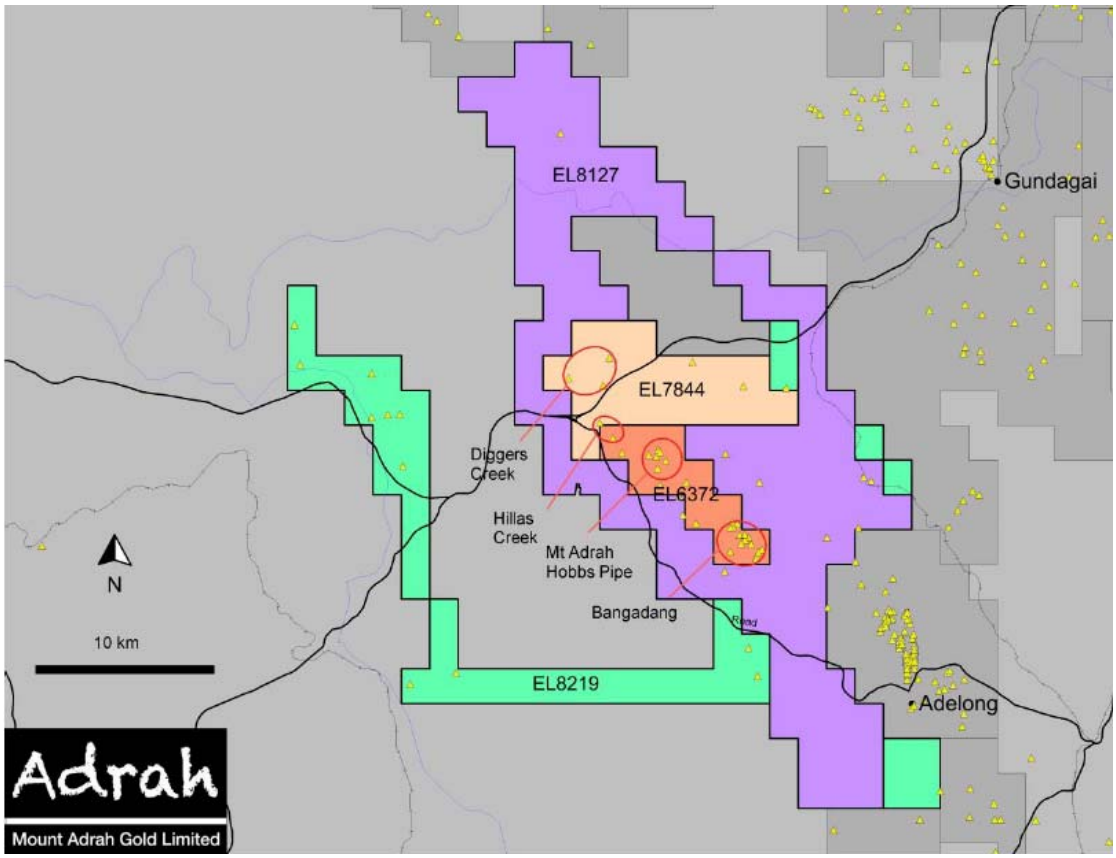
Sovereign Gold Company Limited,
Telephone: +61 2 9251 7177

Picture 1 - Sample D016-1, 29.8grms/tonne Gold: From old working developed on narrow quartz-sulphide veins in the metasediments enclosing Hobbs Pipe. The existence of narrow, high grade gold zones in the overburden of the potential open cut portion of Hobbs Pipe will be investigated in further detail. Sample, quartz vein with arsenopyrite and pyrite

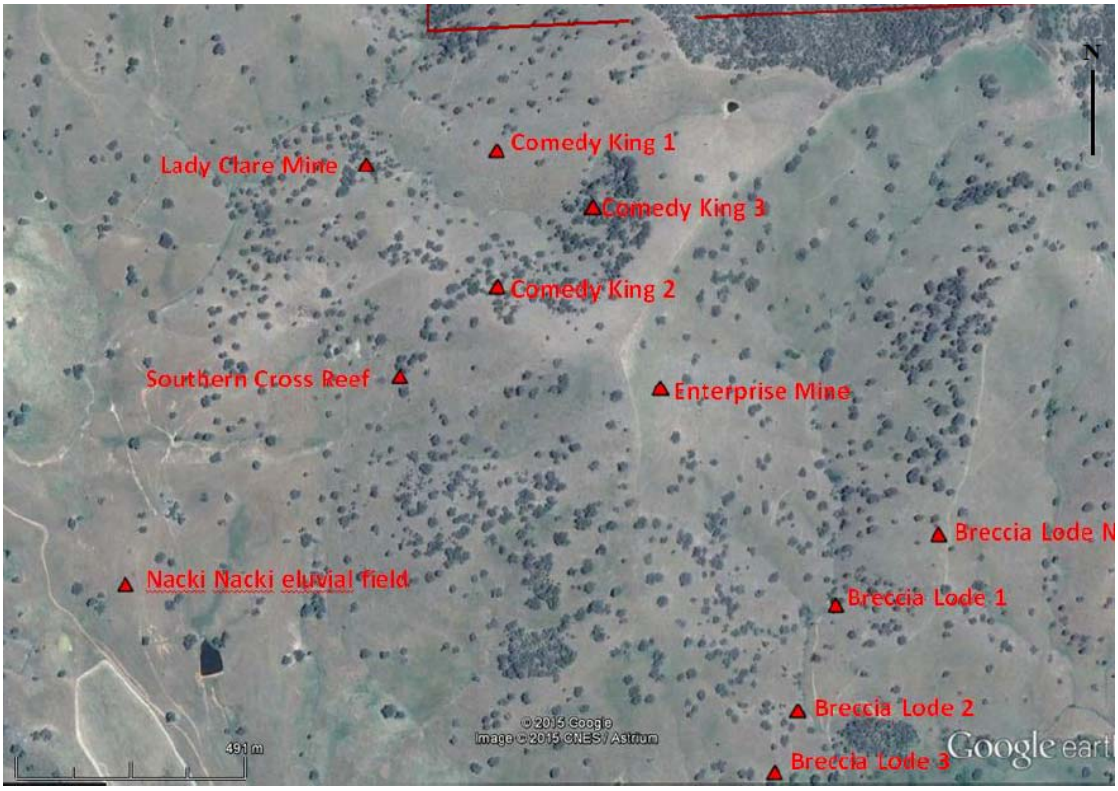
Picture 2 - Sample D033-1, 51.3gms/tonne Gold and 20.8gms/tonne Silver: Historic Mine Breccia Lode 3, Bangadang area. Sheared metasediment hosting sheeted quartz veins with yellow limonite staining after sulphides

Picture 3 - Sample D028-1, 36.8gms/tonne Gold: Historic Mine Comedy King 2, Bangadang area. Discarded float consisting of narrow quartz veining hosted in foliation of metasediments.

Picture 4 - Sample D025-1, 24.9gms/tonne Gold: Historic Mines Nacki Nacki Eluvial, Bangadang area. Float consisting of narrow quartz veining hosted in foliation of metasediments and fragments of quartz veins



Four Exploration Licences comprise the Mount Adrah Gold Project. Due Diligence undertaken by Chinese Consortium focused on the Mt Adrah Hobbs Pipe and Bangadang areas within EL 6372



Bangadang Area: Historical gold mines/working mapped and sampled during Due Diligence undertaken Chinese consortium

Sample Name	mE GDA94 55H	mN GDA94 55H	Elevation (m)	Location	Weight (kg)	Sample Data	ALS Certificate	Au ppm	Ag ppm	As ppm	S %	Pb ppm	Fe %
D003-1	583795	6104844	490	Old Workings 400m north east of Hobbs Pipe	1.23	29/06/15	BR15094214	0.12	2.43	526	0.01	173.5	3.71
D003-2	583784	6104866	489	Old Workings 400m NE of Hobbs Pipe	0.97	29/06/15	BR15094214	0.17	0.49	431	<0.01	33.8	3.52
D003-3	583775	6104878	490	Old Workings 400m NE of Hobbs Pipe	0.8	29/06/15	BR15094214	0.69	2.58	146.5	0.01	7.2	0.97
D004-1	583833	6104818	496	Old Workings 400m NE of Hobbs Pipe	0.55	29/06/15	BR15094214	0.17	0.09	56.5	<0.01	17.2	2.48
D004-2	583853	6104792	484	Old Workings 400m NE of Hobbs Pipe	1.8	29/06/15	BR15094214	0.03	0.06	315	<0.01	23.3	3.13
D004-2L	583861	6104770	468	Old Workings 400m NE of Hobbs Pipe	1.08	29/06/15	BR15094214	0.18	0.14	745	<0.01	24.5	2.39
D004-4	583882	6104753	459	Old Workings 400m NE of Hobbs Pipe	0.47	29/06/15	BR15094214	0.07	0.13	346	<0.01	29.7	3.23
D004-2L2	583877	6104731	445	Old Workings 400m NE of Hobbs Pipe	0.98	29/06/15	BR15094214	1.22	0.76	392	<0.01	56.7	2.44
D006-1	583722	6104490		Hobbs Middle East Soil	0.41	29/06/15	BR15094214	0.4	0.15	1400	0.01	10.6	9.4
D008-1	583904	6104382	351	Hobbs Middle East	1.6	29/06/15	BR15094214	0.37	0.2	269	0.49	7.6	6.33
D010-1	583888	6104347	357	Hobbs Middle East	0.71	01/07/15	BR15094214	0.03	0.19	704	0.01	278	3.72
D013-1	584103	6104130	331	Hobbs South East	1	01/07/15	BR15094214	0.02	0.04	176.5	0.01	3.3	7.55
D015-1	583648	6103920		Hobbs South East S	0.73	01/07/15	BR15094214	<0.01	0.03	79.6	<0.01	2.7	2.68
D016-1	583428	6104550	382	Old workings in metasediments enclosing Hobbs Pipe	1.58	01/07/15	BR15094214	29.8	4.17	16100	1.75	33.2	3.71
D023-1	581714	6104020	297	Carters	0.76	01/07/15	BR15094214	0.26	0.26	117	0.02	6	0.57
D023-2	581773	6103949	302	Carters	0.98	01/07/15	BR15094214	0.04	0.05	54.9	0.01	9.9	0.74
D025-1	587373	6099396	369	Nacki Nacki	0.81	01/07/15	BR15094214	24.9	0.87	94.6	0.01	7.3	1.14
D026-1	588253	6100201	507	Comedy King	0.92	01/07/15	BR15094214	0.4	0.34	1165	0.14	102	1.94
D027-1	588321	6100214	536	Comedy King3	0.9	29/06/15	BR15094214	0.07	0.06	69.9	0.01	11.6	2.56
D028-1	588108	6100114	516	Comedy King2	1.42	07/06/2015	BR15094214	36.8	6.53	18600	0.4	1340	4.23
D029-1	588116	6100262	454	Comedy King1 6m	0.99	07/06/2015	BR15094214	0.49	0.23	147.5	0.03	32.6	3.21
D029-2	588125	6100295	454	Comedy King1 42m	1.6	07/06/2015	BR15094214	0.72	0.27	421	0.11	109.5	3.85
D030-1	587811	6100397	395	Lady Clare	0.8	07/07/2015	BR15094214	0.17	0.04	354	0.02	44.5	3.9
D031-1	588723	6099198	369	Breccia Lode 2	1.5	07/07/2015	BR15094214	3.06	1.75	9240	0.63	983	2.22
D033-1	588623	6099091	380	Breccia Lode 3	1.04	07/07/2015	BR15094214	51.3	20.8	291	0.03	565	2.33

Table 1: 25 grab samples collected as part of the Chinese Consortium's Due Diligence on the Mount Adrah-Bangadang area

Table 1 for reporting in accordance with the JORC Code

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	Criteria	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• 24 selectively chosen surface grab samples of rocks from either loose float, old mine dumps or chipped from exposures of old mine workings. 1 soil sample dug from surface with a geological hammer • Grab samples weight range 0.55-1.66kg. • All samples were routinely assayed for gold using the 30g Fire Assay Digest technique and Atomic Absorption Spectroscopy (ALS code: Au-AA25). • All samples were also subject to multi-element analysis using ICP-AES techniques –ALS Method ME-MS61.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable – drilling results not reported.

Criteria	Criteria	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable – drilling results not reported.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All grab samples were geologically logged. Logging recorded lithology, textures and alteration.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sub-sampling techniques not applicable – drilling results not reported. • Sample preparation included crushing of entire sample to 70% - 6mm (ALS Code CRU-21) before being riffle split and pulverized to 85% passing 75 microns (ALS Code PUL-21). • The above techniques are considered to be of high quality, and appropriate for the nature of mineralisation anticipated. The sample size is appropriate for the rock being sampled.

Criteria	Criteria	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The primary assay method used is designed to measure total gold in the sample. The laboratory procedures are appropriate for the testing of gold at this project given its mineralisation style. The technique involves using a 30g sample charge with a lead flux which is decomposed in a furnace with the prill being totally digested by 2 acids (HCl and HNO3) before measurement of the gold content by an AA machine. This method is considered appropriate for assessing narrow, free milling, nuggetty gold vein style deposits that exist in the area. • Quartz flushes were used after every sample. • No blanks, standards, course reject or pulp duplicates were submitted to the laboratory for testing. • Internal ALS Chemex Laboratory QAQC is routinely done.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Alternative company geologists have inspected the sample data. • Not applicable –drilling results not reported. • Field notebooks and photos were used to record primary data in the field. Primary data was then entered digitally and is stored in Excel format and imported to an industry standard database by the database geologist using data entry procedures and database import tools. Data is visually checked and validated prior to import and additional validation is carried out upon entry to the database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Current sample locations sited using hand-held Garmin GPSMAP® 62sc. • Grid co-ordinate system used is MGA94 (Zone 55). • Original hand-held GPS co-ordinates are maintained in the database. • This is considered appropriate at this early stage of exploration.

Criteria	Criteria	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Data spacing for samples are varied as surface grab samples were collected. This is considered sufficient for this early stage of exploration. • Not applicable. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not applicable, non-directional grab samples collected only.
Sample security	• *The measures taken to ensure sample security.*	• Bagged samples were securely stored at a private facility prior to being freighted door to door to analytical laboratory (ALS) and then subjected to the ALS chain of custody procedures.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Exploration conducted on EL 6372, 100% owned by Tasman Goldfields NSW Pty Ltd. • An access agreement with the current landholders in place. • No impediments to operate are known.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration has been conducted by multiple companies but this previous data has no influence on the 25 samples presented within this report.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Several deposits types. The main type being sub-linear shear zones with sheeted quartz veins. Styles of mineralisation varied from quartz veins with low sulphide content to quartz veins and quartz-flooding with disseminated arsenopyrite and pyrite. Also potential eluvial gold deposit developed above a blind pluton of the Intrusion-Related Gold System (IRGS) deposit style.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Not applicable – drilling results not reported.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable – no weight averaging has been undertaken. • Not applicable – no metal equivalent has been reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable – no widths or intercepts reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Precise GPS MGA94 coordinates are provided for all 25 samples. Location plans of main areas of interest are contained within this report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	A table with significant (Au, Ag) assays results for all 25 samples collected is included within this report.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Geological and geophysical results have been summarized in order to put context around sample results. • Samples have been reported in the appropriate geological context.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future exploration programs under development.