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ASX Symbol: SOC

Sovereign Gold Company is exploring for large Intrusion-Related Gold Systems in New South Wales.

Sovereign Gold's project area covers over 2,650 square kilometres.

The principal project is located around the township of Uralla, 21km southwest of Armidale, New South Wales, Australia, with superb infrastructure logistics. It is close to major roads, rail, airport, labour source, university, power, and engineering.

Available production records indicate that the Rocky River-Uralla Goldfield yielded 5,193 kg (approximately 167,000 ounces) of gold mostly from Tertiary deep leads during the period 1858-1967.

Sovereign Gold's exploration objective is to locate the hard rock ore sources.

State-of-the-art geophysics confirms Frasers Find' large gold system potential

- Coinciding magnetic and radiometric anomalies define small subcircular structure up to 500 metres in diameter associated with radial structures containing the Frasers Find and Diggers Shaft gold mineralisation.
- Potential for classic IRGS gold-ore generating pluton. Small solitary plutons with "smoking gun" characteristics are frequently the source of the gold-bearing fluids.
- Numerous structures associated with potential pluton never recognised before or explored.
- The Ridgeway gold deposit (5.9 Moz Au, Newcrest, Cadia, NSW) is associated with a small (50-100m diameter) magmatic plug.

The airborne magnetic and radiometric airborne data collected over the Rocky River-Uralla Goldfield has been examined at a detailed scale using a range of specialist filters to process and display data enhancements to ensure the maximum amount of interpretive content.

This state-of-the-art technology has revealed the existence of numerous potential gold-bearing targets for assessment and possible drilling that will be detailed in the coming weeks. This is especially so for the Frasers Find and Diggers Shaft gold mineralisation, reported herein, that are potentially linked small parts of a very large gold mineralised target.

The known mineralised structure at Frasers Find is at least 250 metres long and assayed up to 2.47 ounces of gold, 57.5 ounces of silver and 5.95% lead per tonne. Note the mapped gold mineralisation within this structure extends right to the sub-circular geophysical anomaly.

The sub-circular structure potentially represents the alteration halo above a small intrusive gold-bearing pluton (Figure 2) that has released goldbearing fluids into the surrounding rocks via mineralised fractures and disseminations.

Drilling has commenced at Frasers Find and mineralisation intersected. The geophysical studies have provided potential for a significantly larger gold target.

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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 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 2004 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.





Figure 1: Sub-circular magnetic anomaly (570 metre diameter on a N-S axis) with radial structures hosting the gold mineralisation of Frasers Find and Diggers Shaft. (Tilt filter of RTP, reduction to the pole, magnetics with interpretation and anomalous sub-circular feature).





Figure 2: Interpretive cross-section A-B (Figure 1) showing a small pluton that has generated the geophysical anomaly and mineralisation in Frasers Find. Preferred sites of intrusion-hosted Gold mineralization are above the cupola, where exsolved fluids will accumulate, and mineralized fractures develope in the pluton's apex and shoulders. (Adapted from Hart, Reduced Intrusion Related Gold Systems, Geological Survey of Canada).





Figure 4: Location Frasers Find





Figure 5: Sovereign Gold's Tenements