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## Hobbs Pipe 1 update

### Current width ~70 metres and widening

- Strong sulphide-sericite alteration, an indicator of gold mineralisation at the Hobbs deposit, is present throughout the Pipe 1 zone
- Down-hole length currently at 680 metres and drilling ahead to determine northern edge of Hobbs Pipe 1
- Hobbs Pipe 1 width currently ~70 metres at ~630 metres vertical and widening
- Visual observation of core identical to previous vertical hole GHD001

Current diamond drill hole, GHD004 is primarily testing the lateral extent (width) of the deposit at depth and in a NNE direction, where the company believes the system may be spatially associated with the main intrusive source responsible for the Hobbs Pipe 1 beneath Mount Adrah.

GHD004 is a deep steeply inclined hole designed to test the width of Hobbs Pipe 1 to ~1,000m vertical depth and may also confirm that Hobbs Pipe 1 continues to depth.

Core is being split and logged and is being sent to ALS for assay; results will be available some two weeks from receipt.

Previous drilling (GHD001 by the Company) identified a continuous homogenous intercept of **886m @ 1.2 g/t Au** (including 400m @ 1.4 g/t Au and 720m @ 1.3 g/t) from surface [ASX: 30/7/13] confirming that the exploration target for Hobbs Pipe 1 of 65 - 90M tonnes at 1.1 g/t - 1.4 g/t for 2.25M to 4M ounces contained gold continues to be valid.

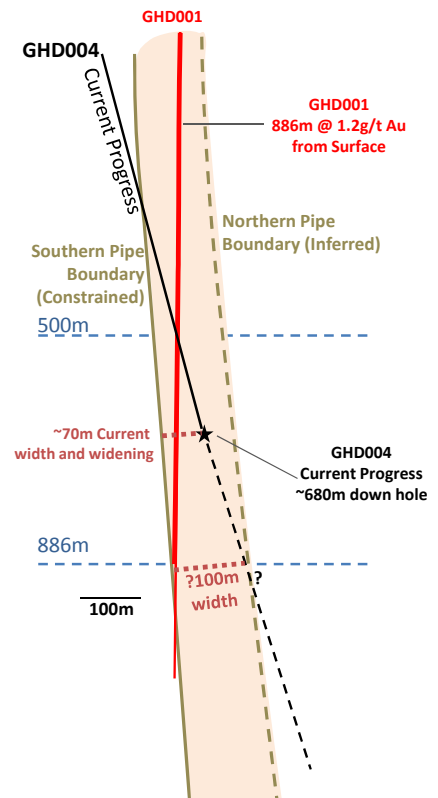
The potential quantity and grade of exploration targets is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The Mt Adrah Hobbs Gold Deposit also sits on the same geo-structural system as Newcrest Mining's Cadia Ridgeway gold mine (which hosts 60 million ounces gold equivalent) and Rio Tinto's Northparkes gold mine (8Moz gold equivalent) (see figure below).

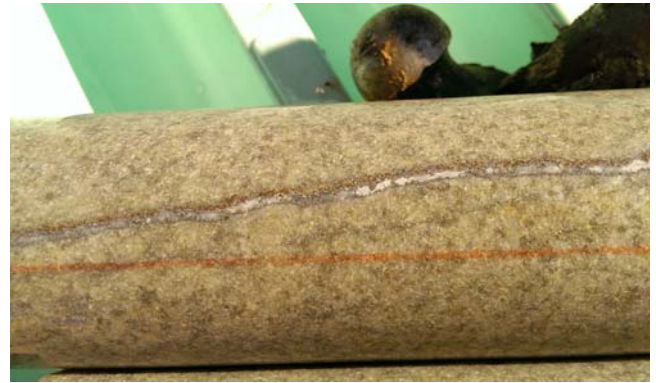
Dr. Kris Butera, CEO of Gossan Hill Gold (SOC owns 87%), stated, "The second deep hole to test the width of mineralisation at Hobbs Pipe 1 has intersected Hobbs Pipe 1 exactly as predicted. The alteration and mineralisation are also identical to the first vertical deep hole at Hobbs Pipe 1. The width is 70m and growing. We are thrilled with the outcome so far and could not have asked for a better result."

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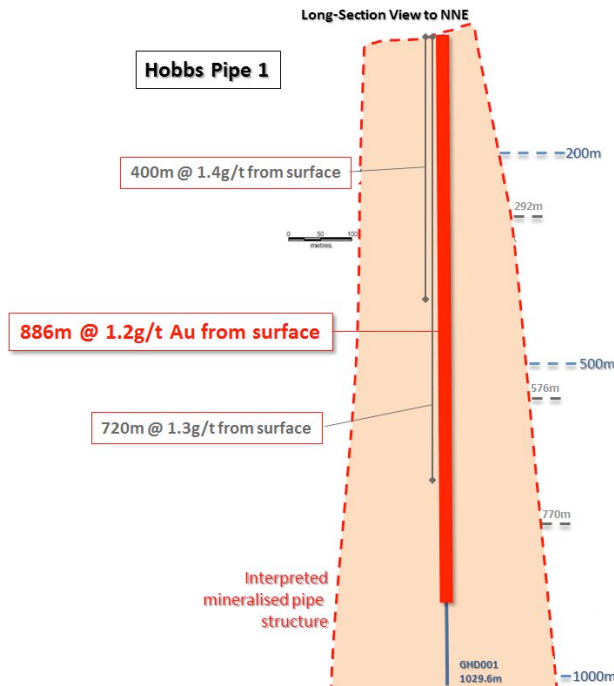


X-Section View to the WNW showing current progress on hole GHD004 relative to the 886m intercept in hole GHD001. Width estimated ~100m at 886m; Pipe 1 boundary inferred, may widen further.

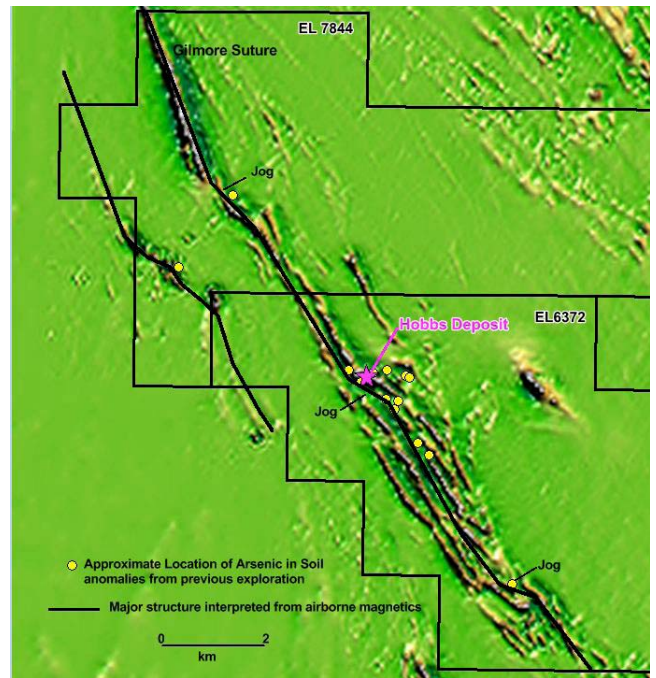


Strongly sericite altered monzodiorite, similar to higher grade core observed from hole GHD001, from approximately 630m with intense arsenopyrite-pyrite mineralisation also associated with quartz veining

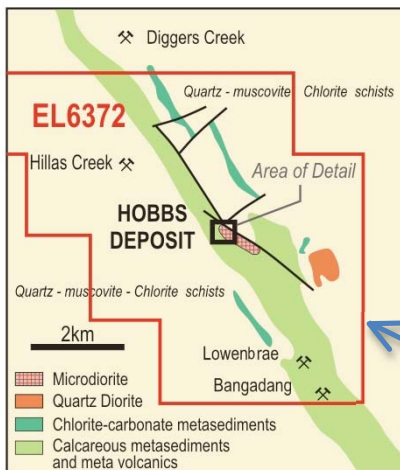




Long section showing significant gold intersections (GHD001)

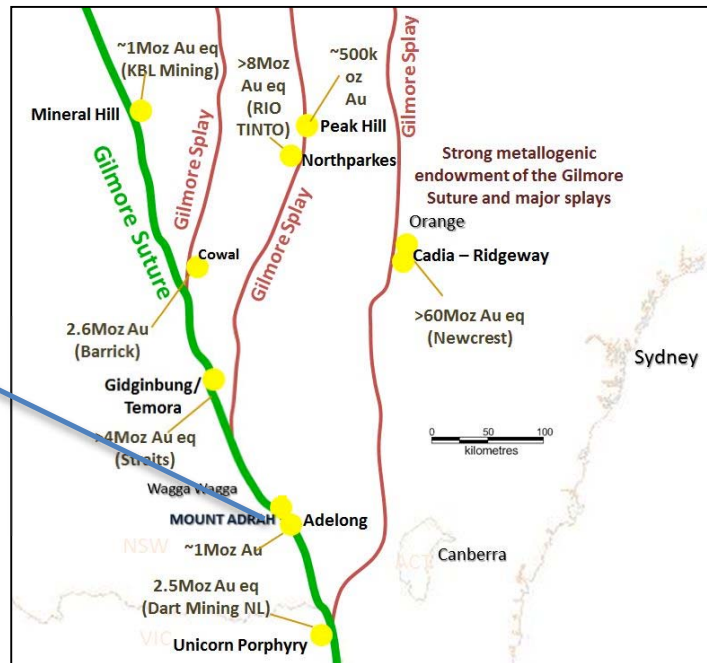


Location of the Hobbs deposit at a major dilational site along the Gilmore Suture, and the zone of structural complexity immediately to the south of the deposit – representing a major exploration target analogous to the giant Donlin Creek system.



Location map and geological setting, EL 6372

Location of Mount Adrah relative to several world-class gold deposits situated on the Gilmour Suture and associated splays.



**Qualifying Statements**

The information in this report that relates to Exploration Information is based on information compiled by Michael Leu a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists together with Dr Andrew White, a Fellow of the Australian Institute of Geoscientists and Jacob Rebek and Dr Kris Butera, Members of the Australian Institute of Geoscientists.

Mr Leu and Jacob Rebek are qualified geologists and are directors of Sovereign Gold Company Limited; Dr White is a director of Gossan Hill Gold Limited; and Dr Kris Butera is CEO and director Gossan Hill Gold Limited.

Mr Leu, Jacob Rebek, Dr White and Dr Butera have sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources. Mr Leu, Jacob Rebek, Dr White and Dr Butera consent to the inclusion in this report of the Exploration Information in the form and context in which it appears.