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ASX Release
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Hobbs Pipe 1 update

Hobbs Pipe 1 reaches ~100 metres width¹ and widening

- Down-hole length currently at 888 metres and drilling continues to determine northern edge of Hobbs Pipe 1
- Hobbs Pipe 1 approximate true width currently ~100 metres at 888 metres down hole and widening
- Strong sulphide-sericite alteration, an indicator of gold mineralisation at the Hobbs deposit, is present throughout the Pipe 1 zone
- 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 progressively split and logged and sent to ALS for assay; results will be reported as available.

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.

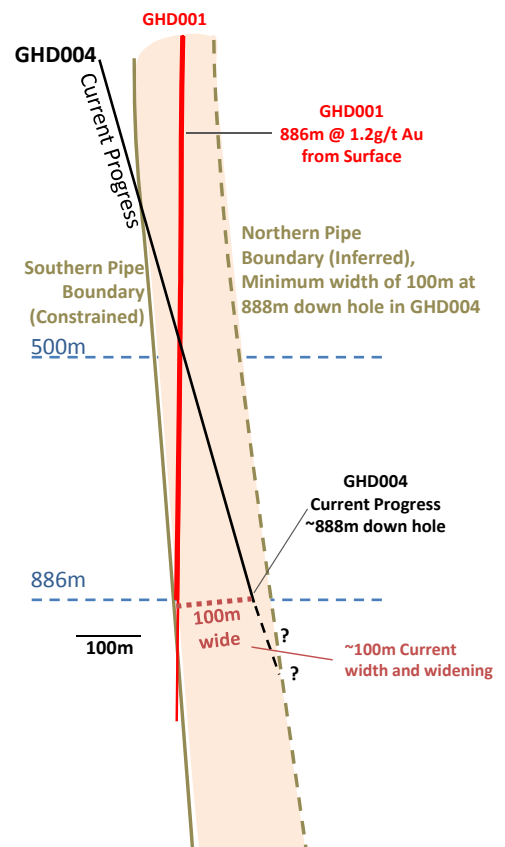
The potential quantity and grade of exploration targets is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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, "We are delighted that the current hole has demonstrated a minimum approximate true width of 100m at depth, and widening, and consistently strong sericite alteration and sulphide mineralisation from where the hole entered the pipe at 336m to the current depth."

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X-Section View to the WNW showing current progress on hole GHD004 relative to the 886m intercept in hole GHD001.

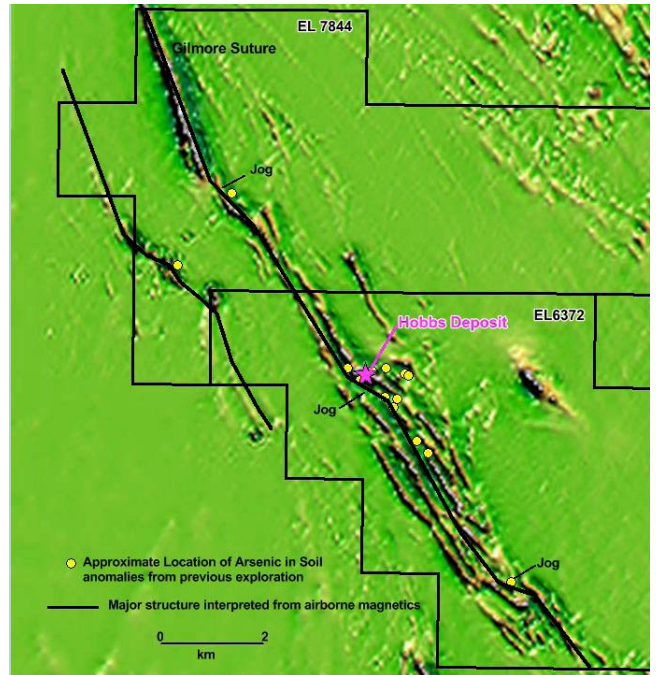
Approximate true width estimated ~100m at 888m down hole in GHD004.

Note: GHD004 is collared at a lower elevation to GHD001.

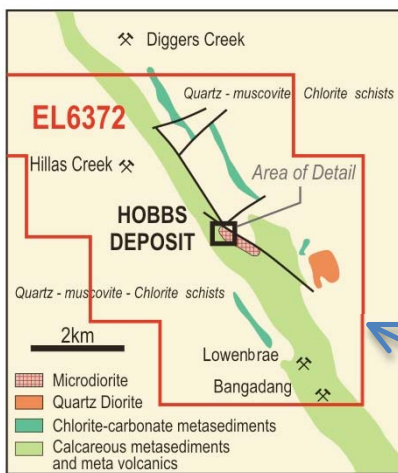
¹ Approximate true width



Example of strong pyrrhotite-arsenopyrite in quartz veins from intense silica-breccia zone near current bottom of hole

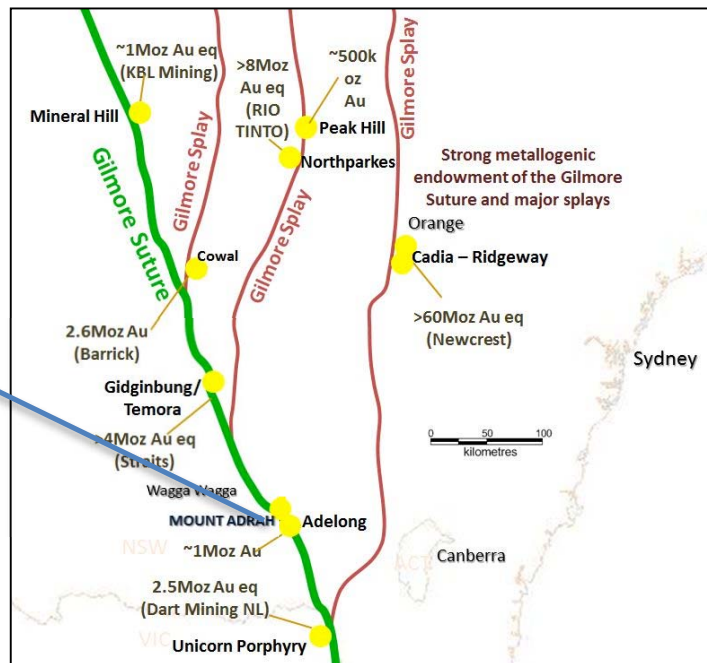


Location of the Hobbs deposit at a major dilational site along the Gilmore Suture, and the zone of structural complexity immediately to the south of the deposit – representing a major exploration target analogous to the giant Donlin Creek system.



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.