



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

Michael Leu CEO

email: mleu@sovereigngold.com.au

Latest News

www.sovereigngold.com.au

Directors / Officers

John Dawkins AO
Michael Leu
Peter Meers
Jacob Rebek

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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Leu consents to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

ASX Release
17 September 2014

Next Phase of Drilling at Frasers Find Commences

Drilling has commenced at Frasers Find to:

- Test the depth extensions of existing high grade narrow gold structures near surface
- Expand the currently identified strike length of 256 metres, which is open in both directions
- Determine if feeder structures are derived from a blind gold-bearing pluton at depth (IRGS model)

Sovereign Gold Company Limited (ASX: SOC) (**Sovereign**) is pleased to announce, with its Joint Venture partner, Jiangsu Geology and Engineering Co. Ltd. (**SUGEC**) of Nanjing, China, that the next drilling program at Frasers Find has commenced.

Previous drilling (EL 6483) at Frasers Find by Sovereign Gold (ASX Releases of 18 12 2012 and 21 12 2012) proved the existence of narrow vein high-grade gold-bearing structures as shown in some of the better intersections below:

- 25.1g/t Au and 5.6g/t Ag over 0.11m from 23.84-23.95m downhole (SGRDD033, 100% core recovery)
- 5.45g/t Au over 0.25m including 10.0g/t Au and 316g/t Au over 0.13m from 27.0-27.25m downhole (SGRDD029, 100% core recovery)

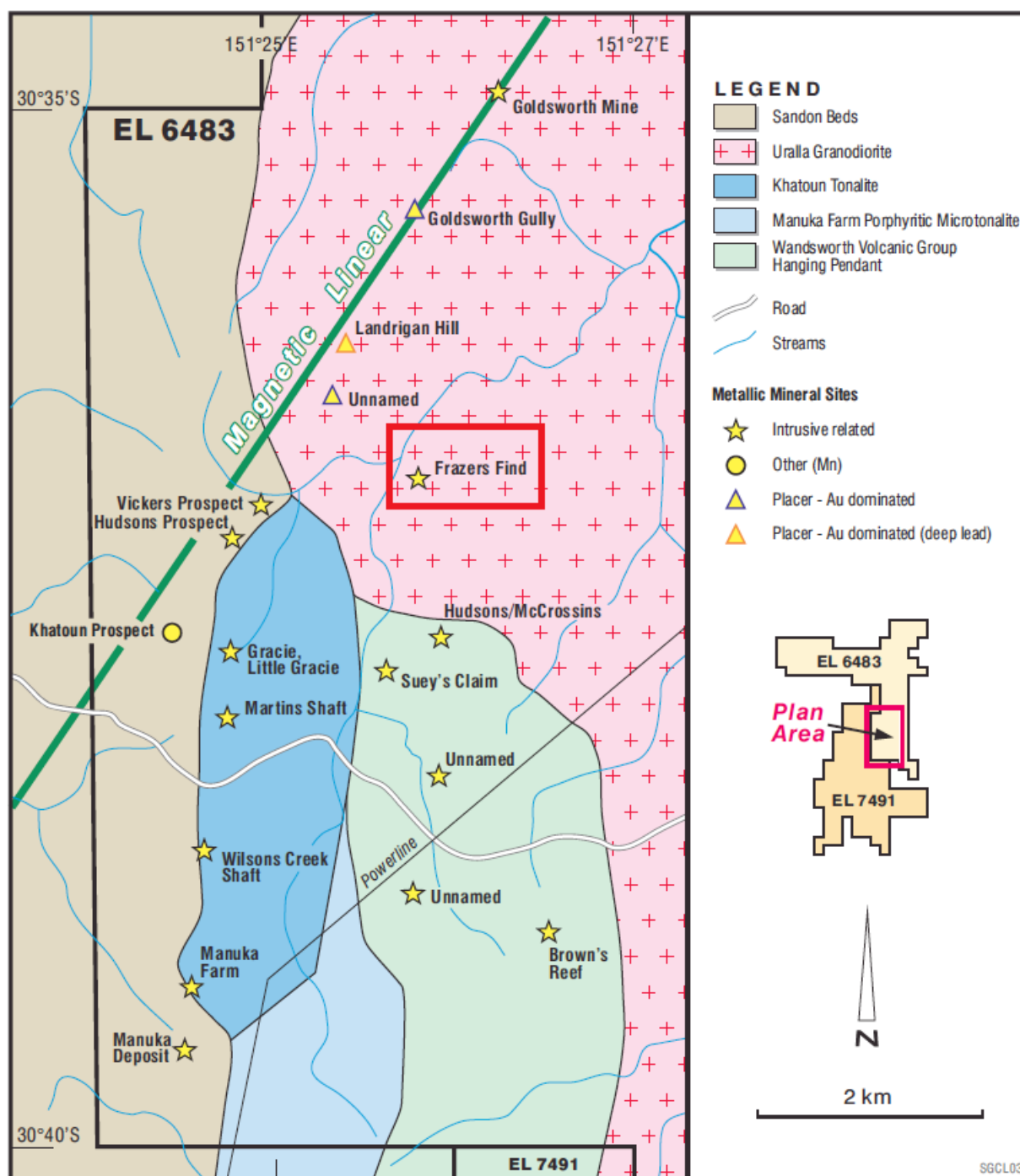
Previous drilling traced a main narrow vein structure along 256m of strike (which remains open in both directions). In addition, shallow pitting has exposed gold mineralisation for a total of 305m along strike.

The completed shallow drilling confirmed that gold mineralization occurs in sheeted veins and narrow high-grade (quartz-sulphide veins) structures that potentially represent the high level portion above a 'blind' (concealed) gold-bearing pluton, based on the Intrusion-Related Gold System (IRGS) model.

This shallow drilling intersected mineralisation with elevated Ag (silver), Pb (lead) and Zn (zinc) values indicating that it most likely represents the distal, low temperature end of a larger gold-endowed fluid plumbing system. The main source of the mineralization is potentially a 'blind' gold-bearing pluton. This high-level metallogenic association also indicates that the entire system is possibly preserved at depth.

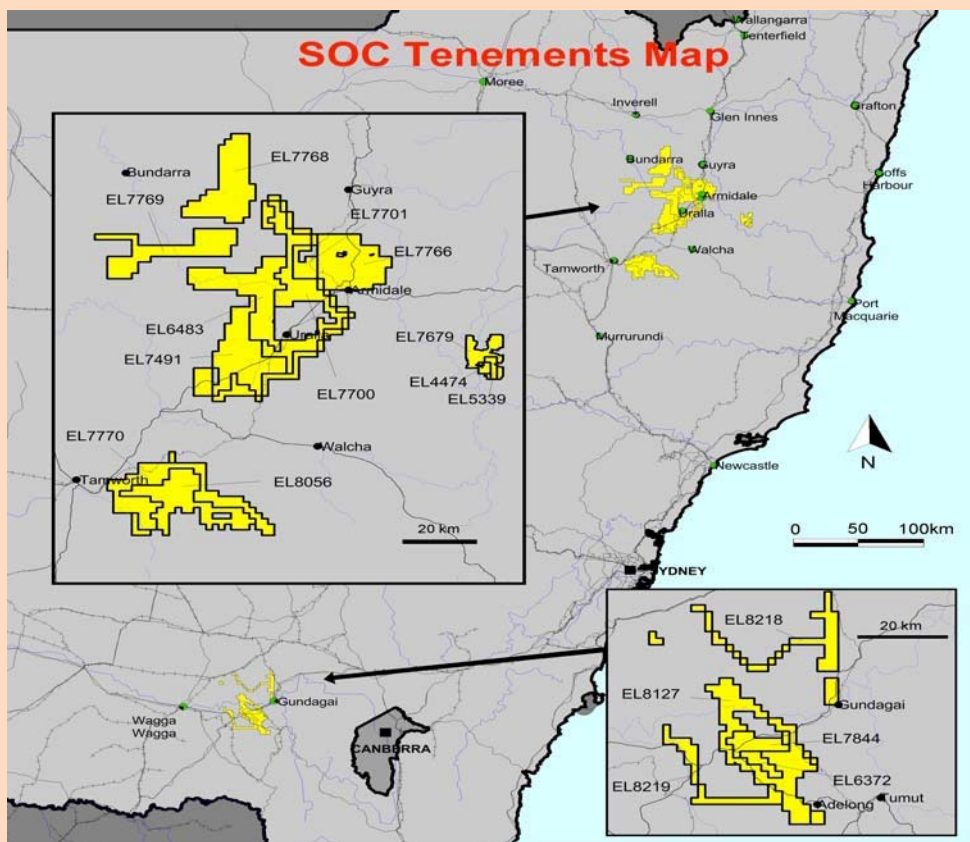
It is important to note that the Frasers Find mine was developed on narrow vein, high grade gold structure that is part of large gold-bearing fracture zone which extends to the south-west. This fracture zone trends directly towards a potential small circular, 'blind' pluton, which has been interpreted from data derived from Sovereign's airborne geophysical survey.

The drilling, geophysical, geochemical and structural data are being utilised to identify vectors to a potential deeper intrusive gold source.



Location of Frasers Find and other gold occurrences within EL 6483

About Sovereign Gold Company Limited



Mount Adrah Gold Limited (SOVEREIGN GOLD - 99.5%)

- Current Mineral Resource estimate is 770,000 oz of gold at various cut-off grades:
 Indicated – 440,000 oz, from 12.1 Mt at 1.1 g/t gold
 Inferred – 330,000 oz from 8.4 Mt at 1.1 g/t*
- Immediate focus on a cost effective exploration and mine development program
- Multiple additional targets have already been identified at the Hobbs Gold Project for further evaluation

SUGEC/SOVEREIGN GOLD JV (SOVEREIGN GOLD - 55% interest post-expenditure funding)

- SUGEC: \$6.5 million balance currently under JV agreements; \$15 million under MoU in the Joint Venture (JV) areas. Advanced discussions are underway to convert all MoUs to JVs
- Results to date have uncovered extensive zones of mineralisation for additional follow-up

**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.*

For further information please contact:

Henry Kinstlinger, Investor
 Relations
 Telephone: +61 2 9251 7177