



SOVEREIGN GOLD COMPANY LIMITED

Sovereign Gold Company Limited
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Latest News

www.sovereigngold.com.au

Directors / Officers

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Rocco Tassone (MD)
Patrick Glovac

ASX: 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 the Chief Geologist 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
22 September 2016

Chappais Lake Lithium Pegmatite – Drill Rig To Mobilise

- Chappais Lake Lithium-bearing Pegmatite located and sampled.
- Approximately 25m of strike length along the main pegmatite has now been trenched and washed, with samples expected shortly with 4m and 5m in thickness that appears to have north and south arms merging toward the east to form the thickest section.
- This thickened zone occurs at the end of present stripping but appears to extend further east under overburden. Stripping continues to expand exposures of length and width of the mineralisation.
- Spodumene development is reported to characterise the exposure, which occurs approximately 250m south of the equipment access trail that has been established.
- The current trenching program has clearly exposed the historic bedrock trench locations that are believed to have been established by Dempster Exploration Limited in the 1950's.
- Diamond Drill Rig to mobilise this week at site in preparation for Drilling of at surface and walk-up targets.
- Drilling Progress updates will be released shortly.

Sovereign Gold's (ASX: SOC, **Sovereign Gold** or **Company**) in-country exploration team has located and sampled the Chappais Lake Lithium-bearing Pegmatite.

Work has progressed well at the recently located Chappais Lake Lithium-bearing pegmatite deposit. Approximately 25m of strike length along the main pegmatite has now been trenched and washed with completion of channel sampling by 22 September 2016. The Chappais Lake Pegmatite is hosted by tonalite (type of 'granite'), strikes at azimuth 110° and dips south at 65° to ~80°, depending upon location. It averages between 4m and 5m in thickness and appears to have north and south arms that merge toward the east to form the thickest section. This thickened zone occurs at the end of present stripping but appears to extend further east under overburden. Stripping continues to expand exposures of length and width of the mineralisation.

Mapping and sampling (by Geologists from in-country Mercator Geological Services Limited) of the Chappais Lake Pegmatite has shown that well developed, acicular (elongate) spodumene (main pegmatite lithium mineral, $\text{Li}_2\text{O} \cdot \text{Al}_2\text{O}_3 \cdot 4\text{SiO}_2$) is present throughout the exposure. Spodumene crystals up to 30cm or more in length are locally present, as are dense aggregates of the mineral (Refer to Figures below). The dyke is characterised by aplitic (fine grained) marginal zones and shows coarsely crystalline feldspar and quartz plus local books of muscovite.

The 2016 trenching program has clearly exposed the historic bedrock trench locations that are believed to have been established by Dempster Exploration Limited in the 1950's.

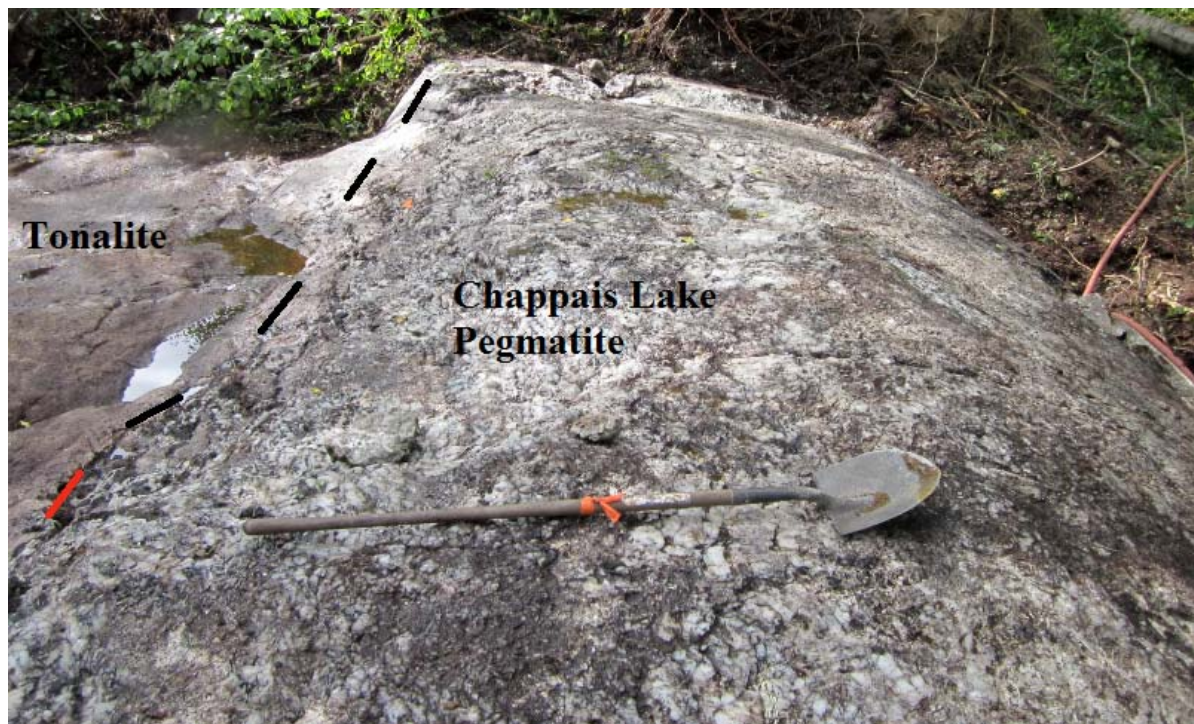


Managing Director Rocco Tassone stated, "With the Chappais Lake Pegmatite appearing to extend further than current stripping, it looks a promising target with good potential. With the drill rig expected to be mobilisation this week, we now have four lithium-bearing pegmatites to drill with field data strongly indicating potential to discover more."

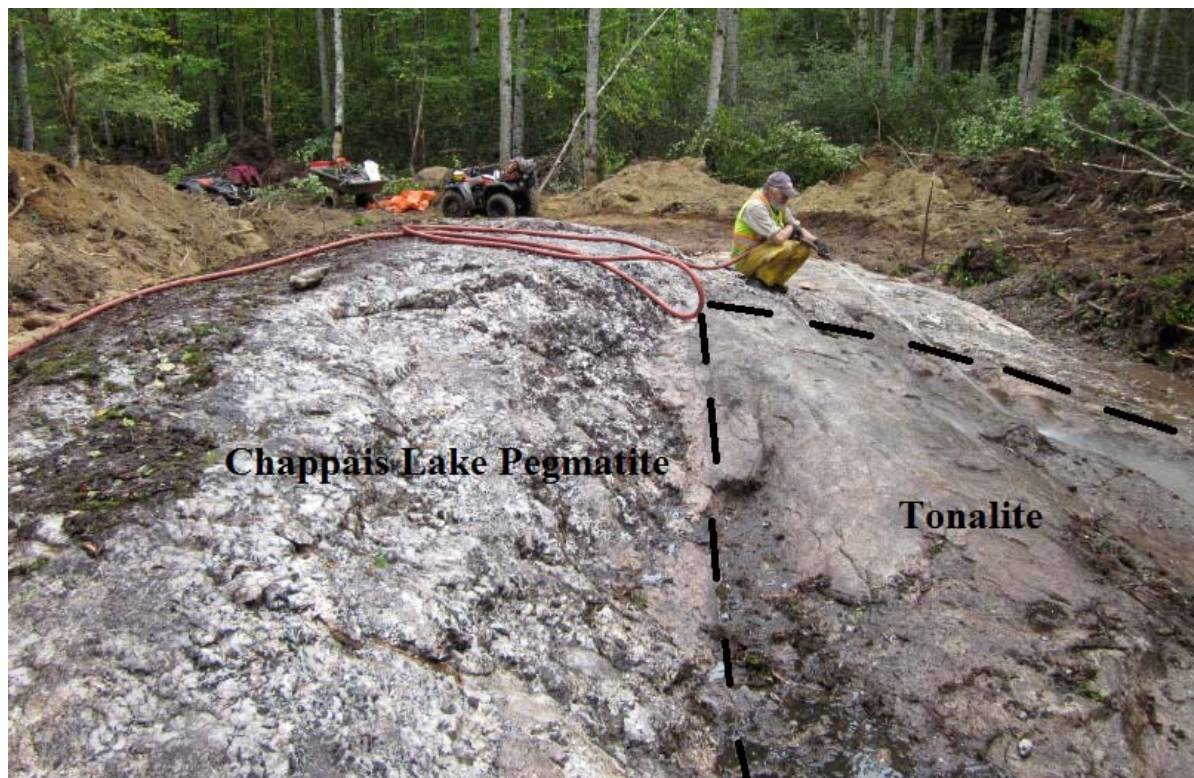
For further information please contact:

**Rocco Tassone,
Managing Director
Sovereign Gold Company Limited**

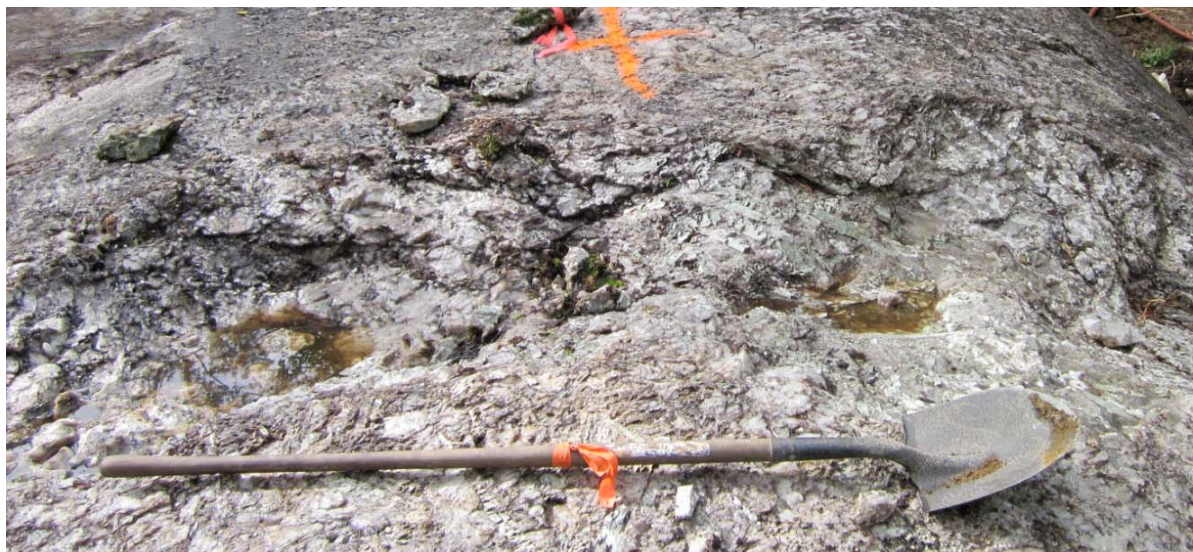
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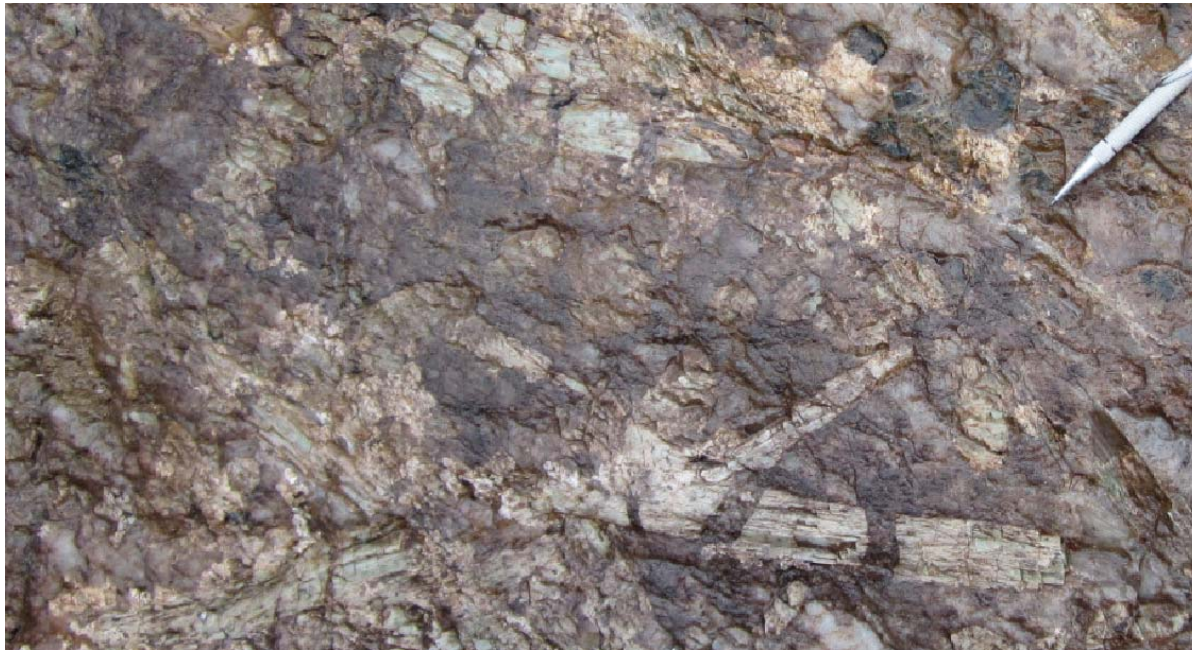
Exposure of the Chappais Lake lithium-bearing Pegmatite. Walk-up drill targets, Diamond Drilling to commence this coming week.



Exposure of the Chappais Lake lithium-bearing Pegmatite. Walk-up drill targets.



Chappais Lake Lithium-bearing Pegmatite. Spodumene ($\text{Li}_2\text{O} \cdot \text{Al}_2\text{O}_3 \cdot 4\text{SiO}_2$) crystals up to 30 cm or more in length are locally present, as are dense aggregates of the mineral. Spodumene is present throughout the exposure.



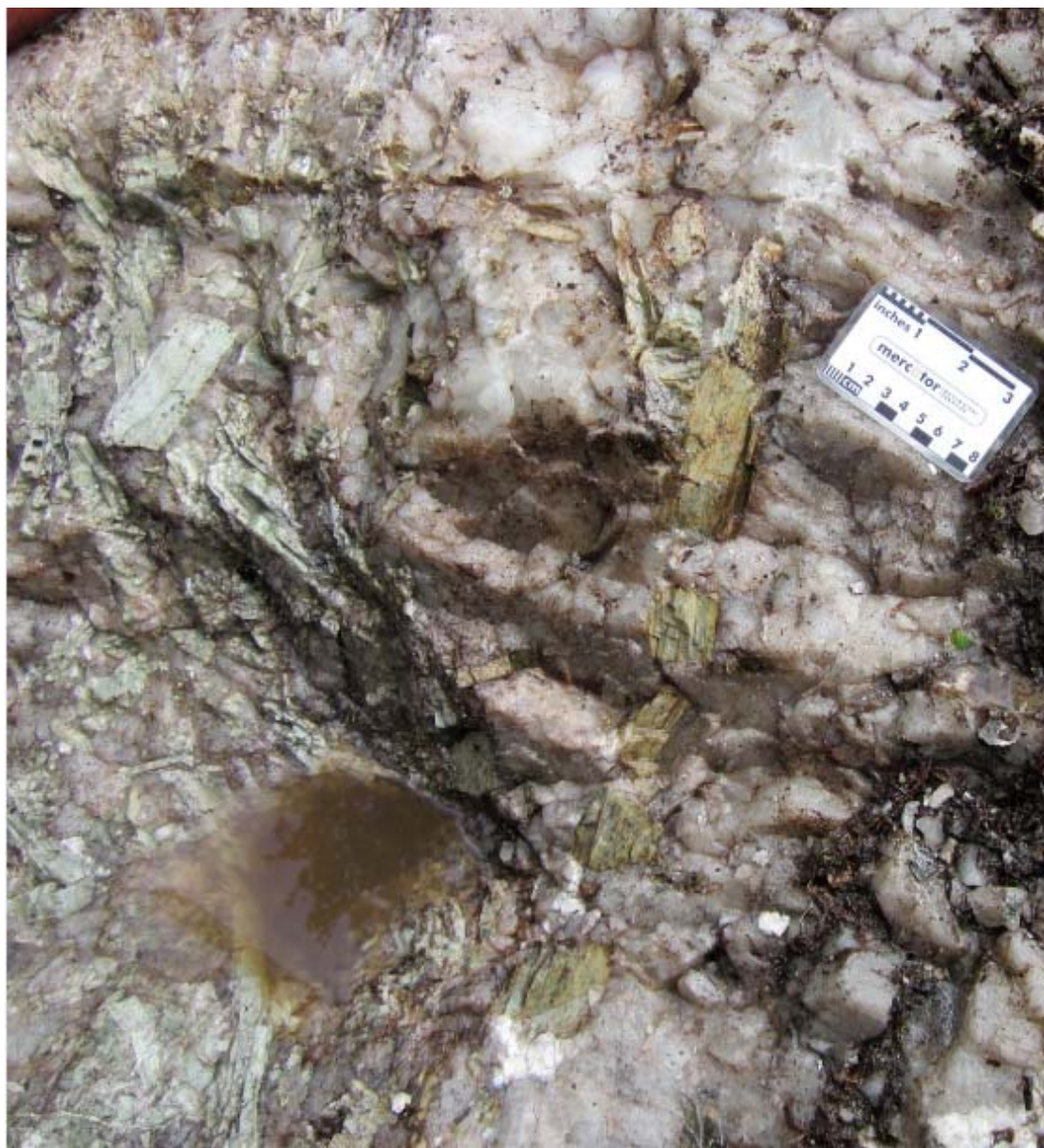
Chappais Lake Lithium-bearing Pegmatite. Mapping at Chappais has shown that well developed, acicular (elongate) spodumene ($\text{Li}_2\text{O} \cdot \text{Al}_2\text{O}_3 \cdot 4\text{SiO}_2$) is present throughout the exposure. Spodumene crystals up to 30 cm or more in length are locally present, as are dense aggregates of the mineral.



Chappais Lake Pegmatite with lighter coloured oxidized aplite, contact below overburden.



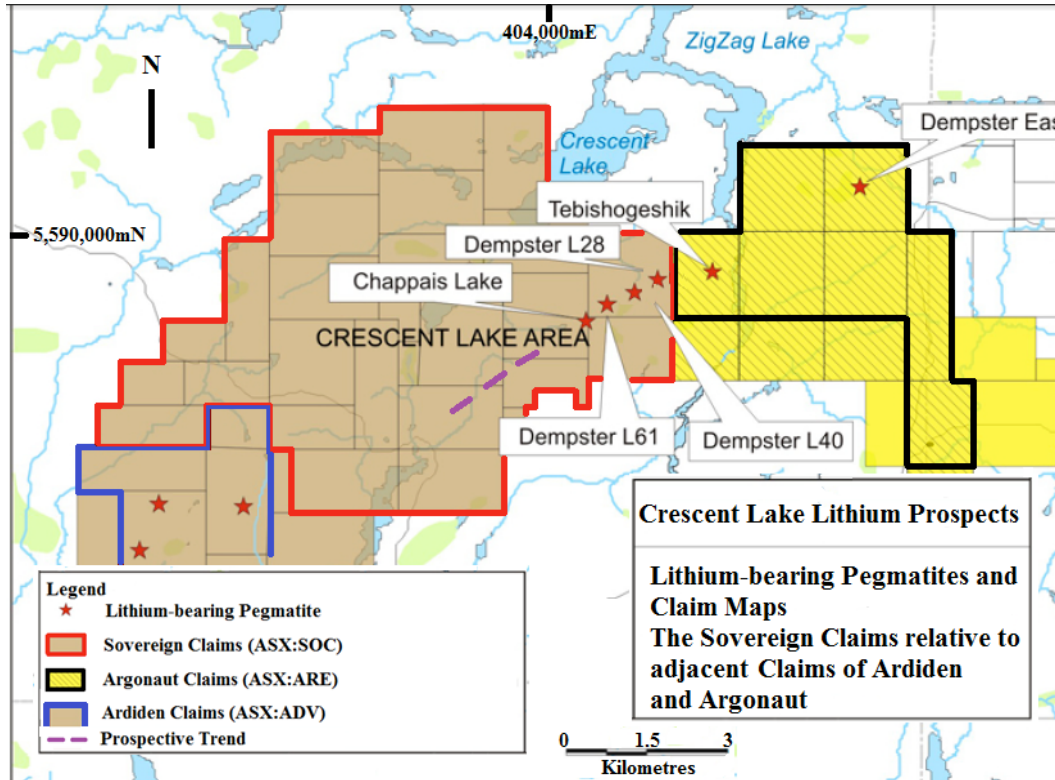
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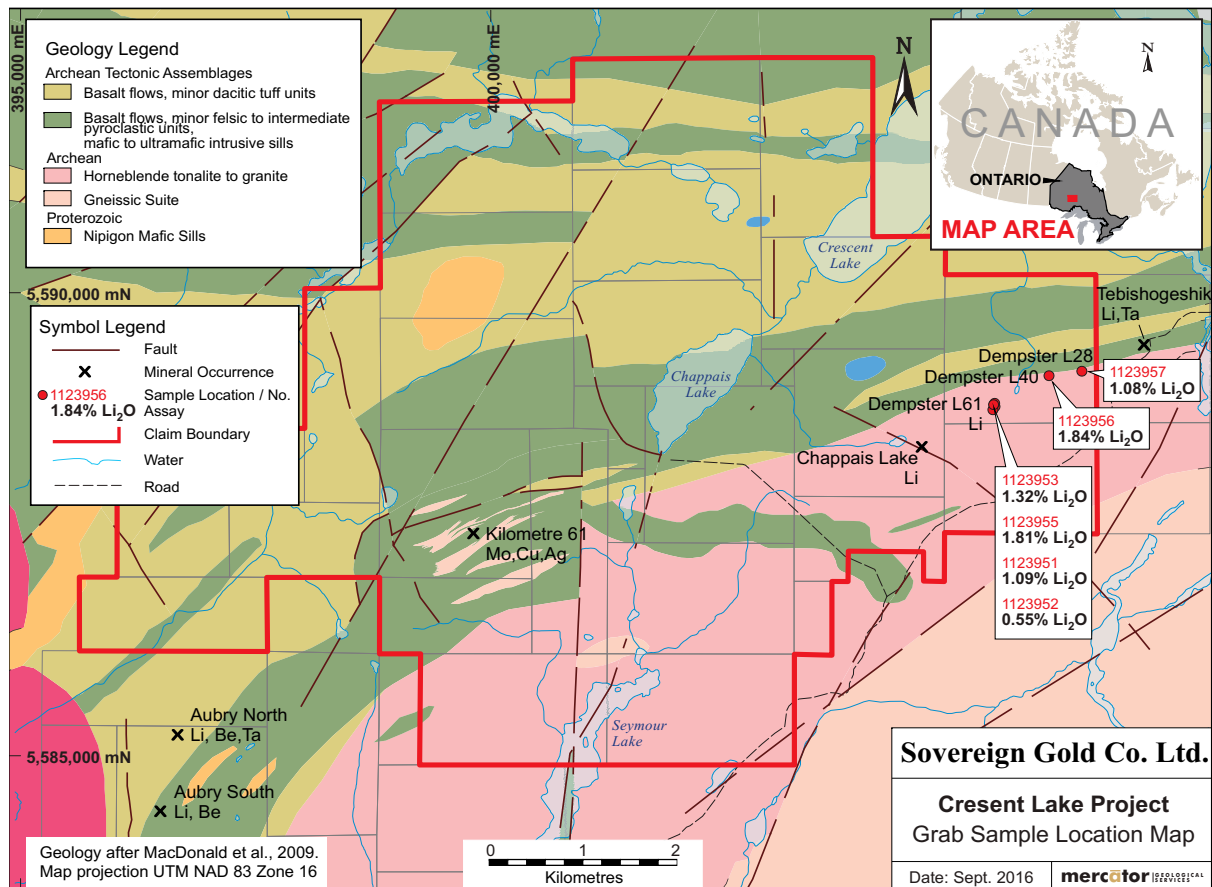
Chappais Lake Lithium-bearing Pegmatite. Mapping at Chappais has shown that well developed, acicular (elongate) spodumene ($\text{Li}_2\text{O} \cdot \text{Al}_2\text{O}_3 \cdot 4\text{SiO}_2$) is present throughout the exposure. Spodumene crystals up to 30 cm or more in length are locally present, as are dense aggregates of the mineral.



High relief Chappais Lake Lithium-bearing Pegmatite intruding lighter (white, off-white) altered tonalite.



Lithium-bearing Pegmatites and claim map. The Sovereign Claims relative to the adjacent claims of Ardiden and Argonaut. Trenching underway and drilling program planned for Chappais Lake, Dempster L61, Dempster L40 and Dempster L28. The Sovereign Claims are underexplored and the geological team will also explore along a highly prospective north-east trend of volcano-sedimentary host rocks that parallels an adjacent intrusive contact. They will especially focus on the area trending north-east from Ardiden's Claims as this may result in discovery of new pegmatites.



Location of the Chappais Lake Lithium-bearing Pegmatite. Plotted also are Lithium Oxide assay results from lithium-bearing pegmatites Dempster L61, Dempster L40 and Dempster L28. Channel samples of the Chappais Lake Pegmatite have been collected for assay.



Regional Location, Crescent Lake is situated in the northeast portion of the Sovereign Claims above the four lithium-bearing pegmatite deposits.