



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

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Directors / Officers

John Dawkins AO
Michael Leu
Peter Meers
Jacob Rebek
Qinjing Qiu

ASX Symbol: SOC

Qualifying Statement

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.

Targets

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.

ASX Release
21st February 2012

Diamond cores present significantly higher gold grades compared to some close-spaced reverse circulation drill holes at Martins Shaft

Following release of the Sovereign Gold Company Limited (ASX: **SOC**) (**Sovereign**) announcement (14 February 2012) data has been compared from two sets of close-spaced (10 metre separation) Diamond and Reverse Circulation holes that provide further confidence in the assessment of data integrity between results obtained from Diamond Drill and Reverse Circulation holes¹.

Sovereign's assessment is that diamond drill core predominantly provides samples that give a more accurate measure of the free gold content and hence higher grades.

The Diamond Drill holes below were drilled 10 metres to the south-west of the respective Reverse Circulation holes, on the same dip and azimuth.

Close-spaced Drill Hole Pair 1

Diamond Drill hole SGRDD004:
18 metres @ 3.51 grams/tonne gold from 52-70 metres downhole²

Reverse Circulation Drill Hole SGRRC011:
11 metres @1.48 grams/tonne gold from 52-63 metres downhole²

Close-spaced Drill Hole Pair 2

Diamond Drill hole SGRDD002:
22 metres @ 3.28 grams/tonne gold from 18-40 metres downhole²

Reverse Circulation Drill Hole SGRRC002:
15 metres @ 0.99 grams/tonne gold from 18-33 metres downhole²

For further information please contact:

Henry Kinstlinger
Investor Relations

Telephone: +61 2 9251 7177

¹ The holes presented above are not twins but simply proximal (10 metres spacings) pairs and hence the natural distribution of gold content within the ore body could in part be responsible for variations between drill methods. However, the twin holes (2 metre spacing) SGRDD014 and SGRCC005 (14 February 2012) supports Sovereign's interpretation that the Reverse Circulation holes are under reporting free gold. Further, free particulate gold has been observed in portions of core from SGRDD002. The current limited data base is insufficient to provide a definitive explanation for variations between the drill methods - metallurgical investigations are ongoing.

² Downhole length, true width not known. All drill intersections are stated as downhole lengths, true width not yet determined.



Close-spaced Drill Hole Pair 1

Reverse Circulation Drill Hole SGRR011	Diamond Drill Hole SGRDD004
<p>11 metres @1.48 grams/tonne gold from 52-63 metres downhole including:</p> <ul style="list-style-type: none">➤ 5 metres @ 2.5 grams/tonne gold from 57-62 metres downhole➤ 1 metre @ 5.2 grams/tonne gold from 57-58 metres downhole	<p>18 metres @ 3.51 grams/tonne gold from 52-70 metres downhole Including:</p> <ul style="list-style-type: none">➤ 7 metres @ 7.47 grams/tonne gold from 57-64 metres downhole➤ 6 metres @ 8.30 grams/tonne gold from 58-64 metres downhole➤ 4 metres @ 9.67 grams/tonne gold from 58-62 metres downhole➤ 1 metre @ 19.60 grams/tonne gold from 58-59 metres downhole

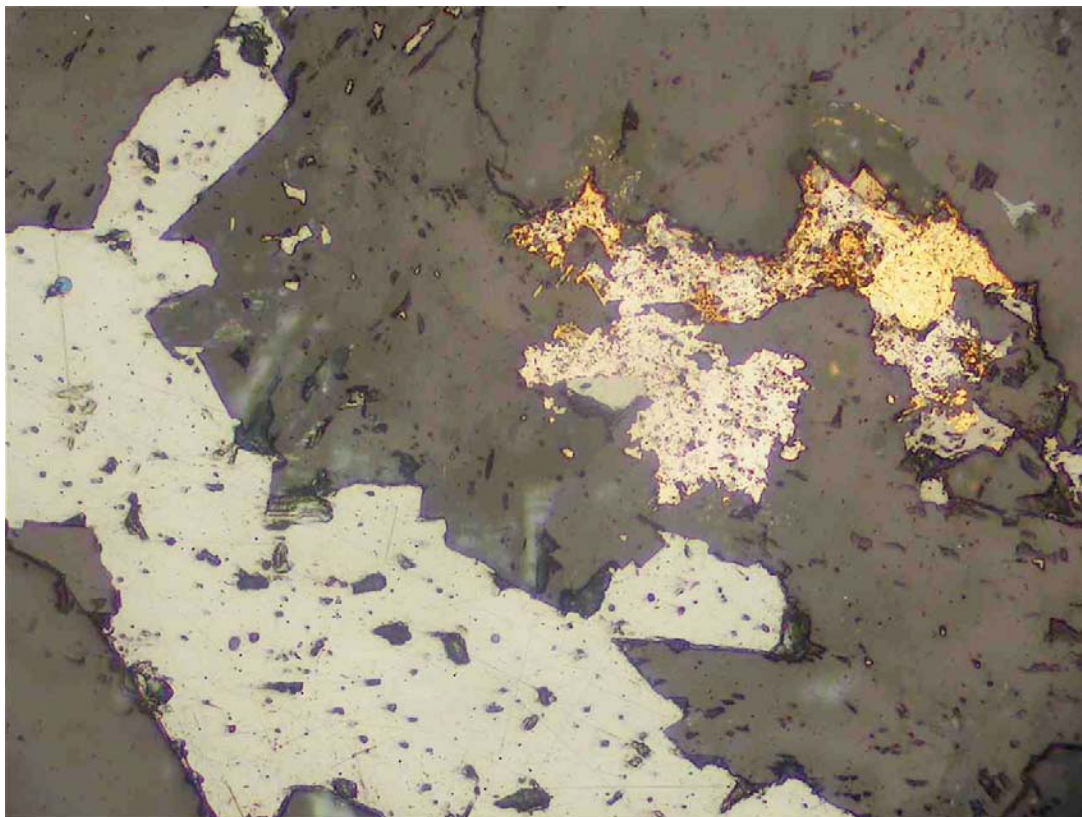
Close-spaced Drill Hole Pair 2

Reverse Circulation Drill Hole SGRR002	Diamond Drill Hole SGRDD002
<p>15 metres @ 0.99 grams/tonne gold from 18-33 metres downhole</p>	<p>22 metres @ 3.28 grams/tonne gold from 18-40 metres downhole Including:</p> <ul style="list-style-type: none">➤ 15 metres @ 4.60 grams/tonne gold from 22-37 metres downhole➤ 13 metres @ 5.17 grams/tonne gold from 24-37 metres downhole➤ 10 metres @ 6.06 grams/tonne gold from 27-37 metres downhole➤ 1 metre @ 10.50 grams/tonne gold from 27-28 metres downhole➤ 2 metres @ 18.85 grams/tonne gold from 35-37m metres downhole➤ 1 metre @ 15.20 grams/tonne gold from 35-36 metres downhole➤ 1 metre @ 22.50 grams/tonne gold from 36-37 metres downhole <p>SGRDD002 hole ended in mineralisation.</p>

SGRR011: Australian Laboratory Services Pty. Ltd. Certificate of Analysis BR11031277
SGRDD004: Australian Laboratory Services Pty. Ltd. Certificate of Analysis BR11098686
SGRR002: Australian Laboratory Services Pty. Ltd. Certificate of Analysis BR11017323
SGRDD002: Australian Laboratory Services Pty. Ltd. Certificate of Analysis BR11098704



Petrographic studies (microscope studies of polished surfaces of core, SGRDD002 35.95 m) have identified free particulate gold and aurostibite (AuSb_2) in a vein assemblage, adjacent to stibnite aggregates.



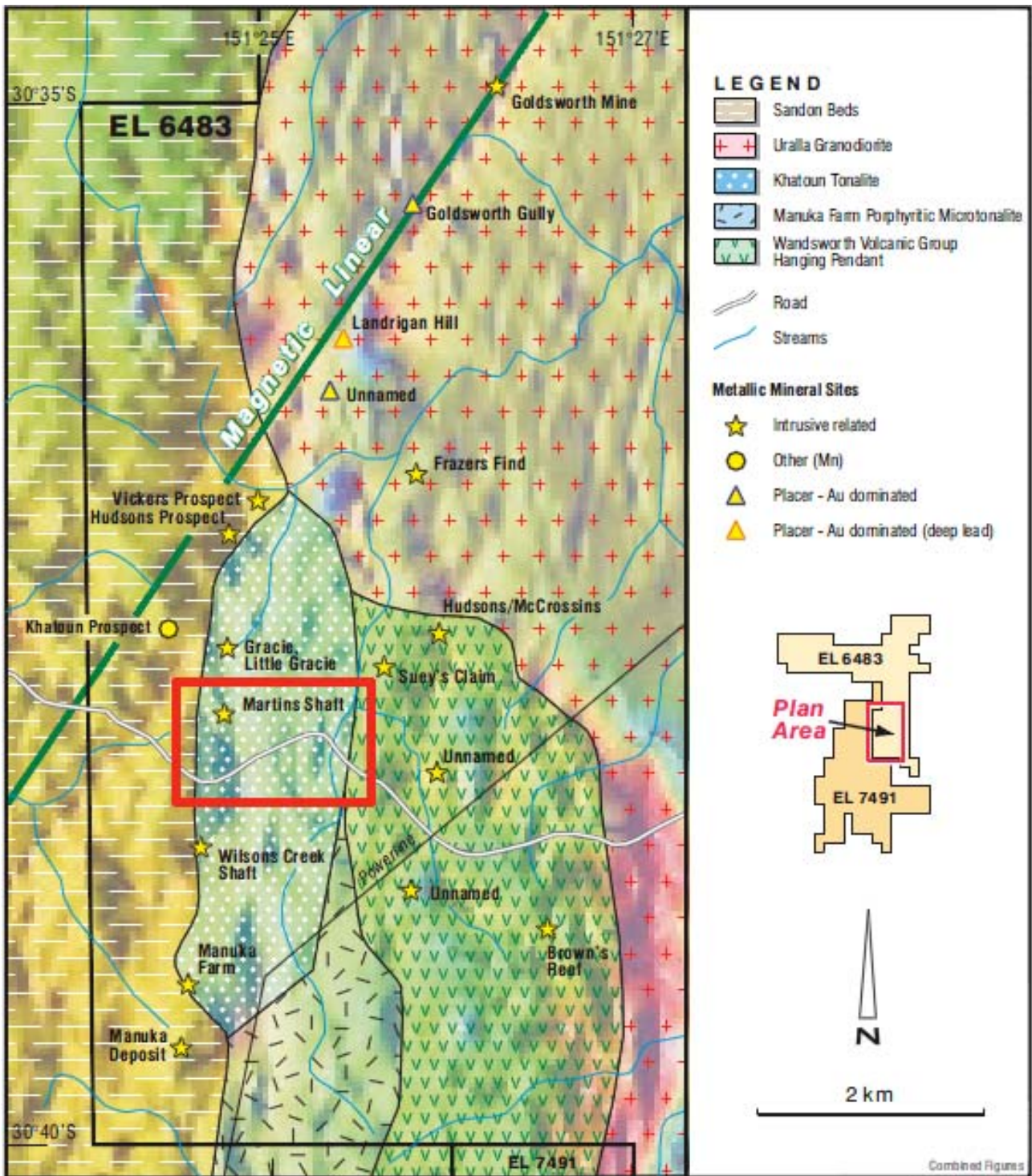
SGRDD002, 35.95 metres. Photomicrograph from polished thin section showing composite aggregate **containing gold** (largest grain about 60 μm across), **aurostibite** (very pale creamy pink) and pale grey stibnite, adjacent to a large stibnite aggregate and hosted in dark grey carbonate. Plane polarised reflected light, field of view 0.5 mm across. (**15.20 grams/tonne gold** from 35-36 metres downhole, **22.50 grams/tonne gold** from 36-37metres downhole). Petrographic Report Dr. P. Ashley, Sept. 2011.



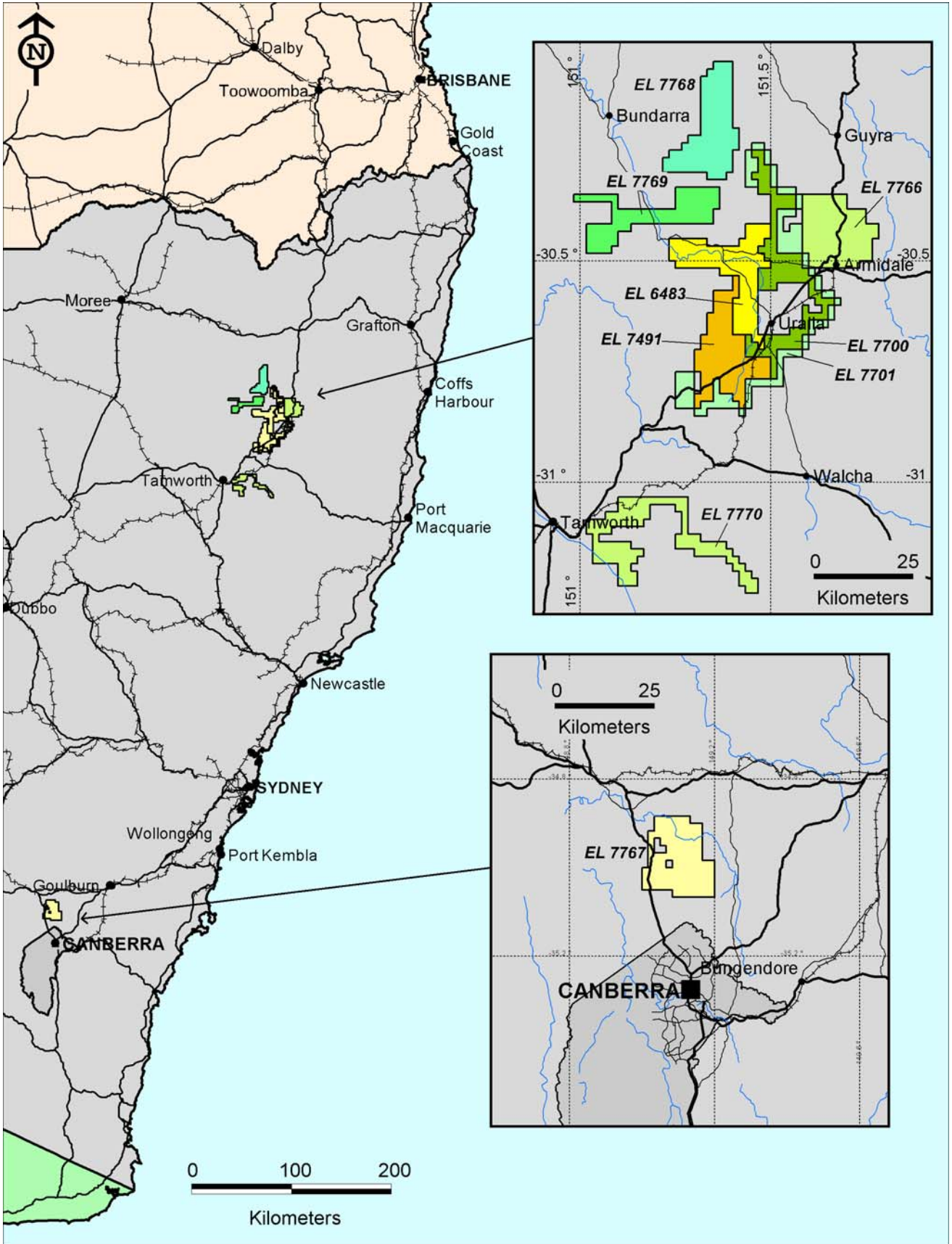
SGRDD002, 36.80m. Free gold (around 1mm long) in quartz-antimony-arsenopyrite-carbonate vein



SGRDD002, 36.60m. Free gold (around 1.2 mm long) in quartz-antimony-carbonate vein



Martins Shaft - Location



Sovereign Gold Tenements