



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
Qinjing Qiu

ASX Symbol: SOC

Sovereign Gold Company is exploring for large Intrusion-Related Gold Systems in New South Wales.

Sovereign Gold's project area covers over 2,650 square kilometres.

The principal project is located around the township of Uralla, 21km southwest of Armidale, New South Wales, Australia, with superb infrastructure logistics. It is close to major roads, rail, airport, labour source, university, power, and engineering.

Available production records indicate that the Rocky River-Uralla Goldfield yielded 5,193 kg (approximately 167,000 ounces) of gold mostly from Tertiary deep leads during the period 1858-1967.

Sovereign Gold's exploration objective is to locate the hard rock ore sources.

ASX Release
28th May 2012

Following is the Chairman's address to be presented at the Company's Annual General Meeting at 3pm on Monday 28 May 2012.

2012 AGM CHAIRMAN'S ADDRESS

On behalf of the Board of Directors, I welcome you to the 2012 Annual General Meeting of Sovereign Gold Company Limited (**Sovereign Gold**).

Sovereign Gold is exploring a large Intrusion-Related Gold System (**IRGS**) at the Rocky River-Uralla Goldfield in New South Wales. This project covers 2,650 square kilometres, and most of Sovereign Gold's tenements are located around the townships of Armidale, Uralla, and Tamworth in New South Wales. This region is blessed with superb infrastructure logistics, and is close to major roads, rail, airport, labour source, university, power, and engineering.

Sovereign Gold's exploration objective is to locate the hard rock gold sources from this region which historically has yielded 5,193 kg (approximately 167,000 ounces) of gold during the period 1858-1967 according to production records.

In 2011 Sovereign Gold conducted an extensive drilling campaign of its Martins Shaft prospect in the Rocky River-Uralla Goldfields. Twenty nine (29) reverse circulation holes were drilled for a total of 2,534 metres and 11 diamond holes for a total of 678 metres.

Significant gold mineralisation was found at Martins Shaft in the style of mineralisation predicted from the application of Sovereign Gold's IRGS Exploration Model. The discoveries at Martins Shaft have confirmed the exploration model with the potential of several satellite deposits with between 500,000 to 1,000,000 ounces.

Sovereign Gold is now a leader in exploration of IRGS in Australia through application of its new understanding of the controls on gold mineralisation within these large systems. Senior Geoscientists from the NSW Geological Survey are collaborating with Sovereign Gold as new understanding of these gold systems indicate the potential to invigorate gold exploration and lead to world class gold discoveries in the New England Gold Belt.

In June last year Sovereign Gold commenced exploration activities in the Ibam Hill Project, located in the Eastern Gold Belt in the state of Pahang, Malaysian. The Company continues to develop its Malaysian interests.

Sovereign Gold entered into a cooperation and investment agreement with Jiangsu Geology and Engineering Co. Ltd. (SUGEC) of Nanjing, China to contribute \$4 million towards IRGS exploration on EL 7768 and EL 7491 in NSW (**SUGEC Gold Tenements**). SUGEC will fund exploration on the SUGEC Gold Tenements in the amount of \$2 million over each tenement before 31 March 2014 at which time SUGEC may earn a 30% interest in each respective tenement.

Following positive exploration results last year that among other things, confirmed the IRGS model, the Company has identified several high priority drill targets for the 2012 drilling campaign now underway.



The first drill target is Frasers Find where assays of mineralisation returned up to 2.47 ounces per tonne gold and 1.79 kilograms per tonne of silver. Sovereign Gold recently located the original Frasers Find on EL 6483, a high gold and silver grade mineralised structure over 250 metres long. The Company located the mine in January, 100 years after Frasers Find was first discovered. Recent assays and the scale of mineralisation further confirm significant potential for further lodes within the Rocky River-Uralla Goldfield. Over 15 priority drill targets have been identified.

Another recently located mine is Melvaines Mine. This mine does not appear in the records of Geological Survey of New South Wales. On ground work reveals sheeted veins assaying up to 13 grams gold per tonne and disseminated gold mineralisation in dyke - Martins Shaft-style mineralisation.

Sovereign Gold purchased custom-built MAC200 diamond drill rig for specifically increasing the Company's ability to engage in more frequent and comprehensive drilling campaigns. Drilling costs per metre of core should be only one third of the cost of contracted drilling.

Sovereign Gold is excited about this year's drill program that will extend over multiple targets consisting of over 15 separate gold-bearing deposits and numerous geochemical anomalies in a large 60 square kilometre mineralisation system. Including both known and recently discovered hard rock gold targets, Sovereign Gold anticipates a steady supply of exciting news ahead. Your Directors are confident of another exciting year for Sovereign Gold, and we look forward to sharing its success with you.

Hon. John Dawkins AO
Chairman

For further information please contact:

Henry Kinstlinger
Investor Relations

Telephone: +61 2 9251 7177

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 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.

References to Mines refer to geographical names, and no inference should be made that Sovereign Gold is operating any mines at this stage of its development.