

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

| | |
|-----------------------|---------------------------------|
| Name of entity | SOVEREIGN METALS LIMITED |
| ABN | 71 120 833 427 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|-----------------|
| Name of Director | Julian Stephens |
| Date of last notice | 22 January 2016 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|--|
| Direct or indirect interest | (a) Direct (b) Indirect (c) Indirect (d) Indirect (e) Indirect |
| Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest. | (a) Not applicable (b) One Way Trust (beneficial interest) (c) One Way Trust (beneficial interest) (d) One Way Trust (beneficial interest) (e) One Way Trust (beneficial interest) |
| Date of change | 5 August 2016 |
| No. of securities held prior to change | (a) 300,000 (b) 8,562,500 (c) Nil (d) Nil (e) Nil |
| Class | (a) Performance Share Rights (b) Ordinary Fully Paid Shares (c) \$0.12 Incentive Options (d) \$0.15 Incentive Options (e) \$0.18 Incentive Options |

+ See chapter 19 for defined terms.

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| | |
|---|--|
| Number acquired | (a) Nil (b) 1,105,018 (c) 1,500,000 (d) 2,000,000 (e) 2,500,000 |
| Number disposed | (a) Nil (b) Nil (c) Nil (d) Nil (e) Nil |
| Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation | (a) N/A (b) Shares issued at \$0.075 each in satisfaction of fees owed by the Company of \$82,876. (c) Nil – issued as part of the long term incentive component of Dr Stephens remuneration. (d) Nil – issued as part of the long term incentive component of Dr Stephens remuneration. (e) Nil– issued as part of the long term incentive component of Dr Stephens remuneration. |
| No. of securities held after change | (a) 300,000 (b) 9,667,518 (c) 1,500,000 (d) 2,000,000 (e) 2,500,000 |
| Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | Issue of securities following Shareholder approval on 5 August 2016. |

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

| | |
|--|----------------|
| Detail of contract | Not applicable |
| Nature of interest | Not applicable |
| Name of registered holder (if issued securities) | Not applicable |
| Date of change | Not applicable |
| No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed | Not applicable |
| Interest acquired | Not applicable |

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| | |
|---|----------------|
| Interest disposed | Not applicable |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small> | Not applicable |
| Interest after change | Not applicable |

Part 3 – ⁺Closed period

| | |
|---|----------------|
| Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required? | No |
| If so, was prior written clearance provided to allow the trade to proceed during this period? | Not applicable |
| If prior written clearance was provided, on what date was this provided? | Not applicable |

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| | |
|-----------------------|---------------------------------|
| Name of entity | SOVEREIGN METALS LIMITED |
| ABN | 71 120 833 427 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|----------------|
| Name of Director | Mark Pearce |
| Date of last notice | 2 October 2015 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|---|
| Direct or indirect interest | (a) Direct (b) Direct (c) Indirect (d) Indirect |
| Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest. | (a) Not applicable (b) Not applicable (c) NMLP Family Trust (beneficial interest) (d) Apollo Group Pty Ltd (director and indirect shareholder) |
| Date of change | 5 August 2016 |
| No. of securities held prior to change | (a) 200,000 (b) 220,000 (c) 339,691 (d) Nil |
| Class | (a) Performance Share Rights (b) Ordinary Fully Paid Shares (Direct) (c) Ordinary Fully Paid Shares (Indirect) (d) Ordinary Fully Paid Shares (Indirect) |
| Number acquired | (a) Nil (b) Nil (c) Nil (d) 1,911,151 |

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| | |
|---|---|
| Number disposed | (a) Nil (b) Nil (c) Nil (d) Nil |
| Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation | Shares issued at \$0.075 each in satisfaction of fees owed by the Company of \$143,336. |
| No. of securities held after change | (a) 200,000 (b) 220,000 (c) 339,691 (d) 1,911,151 |
| Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | Issue of shares following Shareholder approval on 5 August 2016. |

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

| | |
|--|----------------|
| Detail of contract | Not applicable |
| Nature of interest | Not applicable |
| Name of registered holder (if issued securities) | Not applicable |
| Date of change | Not applicable |
| No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed | Not applicable |
| Interest acquired | Not applicable |
| Interest disposed | Not applicable |
| Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation | Not applicable |
| Interest after change | Not applicable |

Part 3 – ⁺Closed period

| | |
|---|----|
| Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required? | No |
|---|----|

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| | |
|---|----------------|
| If so, was prior written clearance provided to allow the trade to proceed during this period? | Not applicable |
| If prior written clearance was provided, on what date was this provided? | Not applicable |

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