



8 December, 2014

SolGold plc
("SolGold" or the "Company")
Cascabel Exploration Update
Orion IP Surveys Support Robust Target at Aguinaga

The Board of SolGold (AIM code: SOLG) is pleased to provide the following exploration update for the Company's Cascabel copper-gold porphyry project in Ecuador.

HIGHLIGHTS:

- **Final Orion geophysical models received for the Aguinaga Orion 3D Induced Polarisation ("3DIP") and magnetotelluric ("MT") survey; and**
- **A porphyry copper-gold magnetic and chargeability signature identified below areas of surface geochemical anomalism at Aguinaga (T5).**

Commenting on today's update, SolGold CEO and Managing Director, Alan Martin said:

"The receipt of Orion 3DIP and MT data from the Aguinaga survey and the early indications of a significant and vertically extensive chargeability anomaly above a buried magnetic body is positive news at this early stage. The Company is continuing to analyse the geophysical data from Aguinaga to further integrate it with surface geochemistry."

FURTHER INFORMATION

Final Orion 3DIP chargeability models and conductivity models were received on 25 November from Quantec Geoscience for both the Alpala and the Aguinaga surveys.

The Orion data at Alpala and at Aguinaga has three components:

1. Deep Conductivity data (0-4 km depth) derived from the MT survey.
2. Shallow Conductivity data (0-900m) derived from the 3DIP survey.
3. Shallow Chargeability data (0-900m) derived from the 3DIP survey.

Refined Aguinaga Target Post Interpretation of Orion 3DIP and MT Data

The Aguinaga prospect is located three kilometres northeast of the Alpala prospect (Figure 1). It is centred on a magnetic high anomaly identified in helibourne magnetic survey data, and exhibits copper, molybdenum and gold anomalism in soil samples at surface. Initial evaluation of the Orion 3DIP geophysical data and integration with Magnetic Vector Inversion ("MVI") magnetic data has identified a compelling porphyry copper-gold signature from the 3DIP chargeability data and the MVI magnetic data.

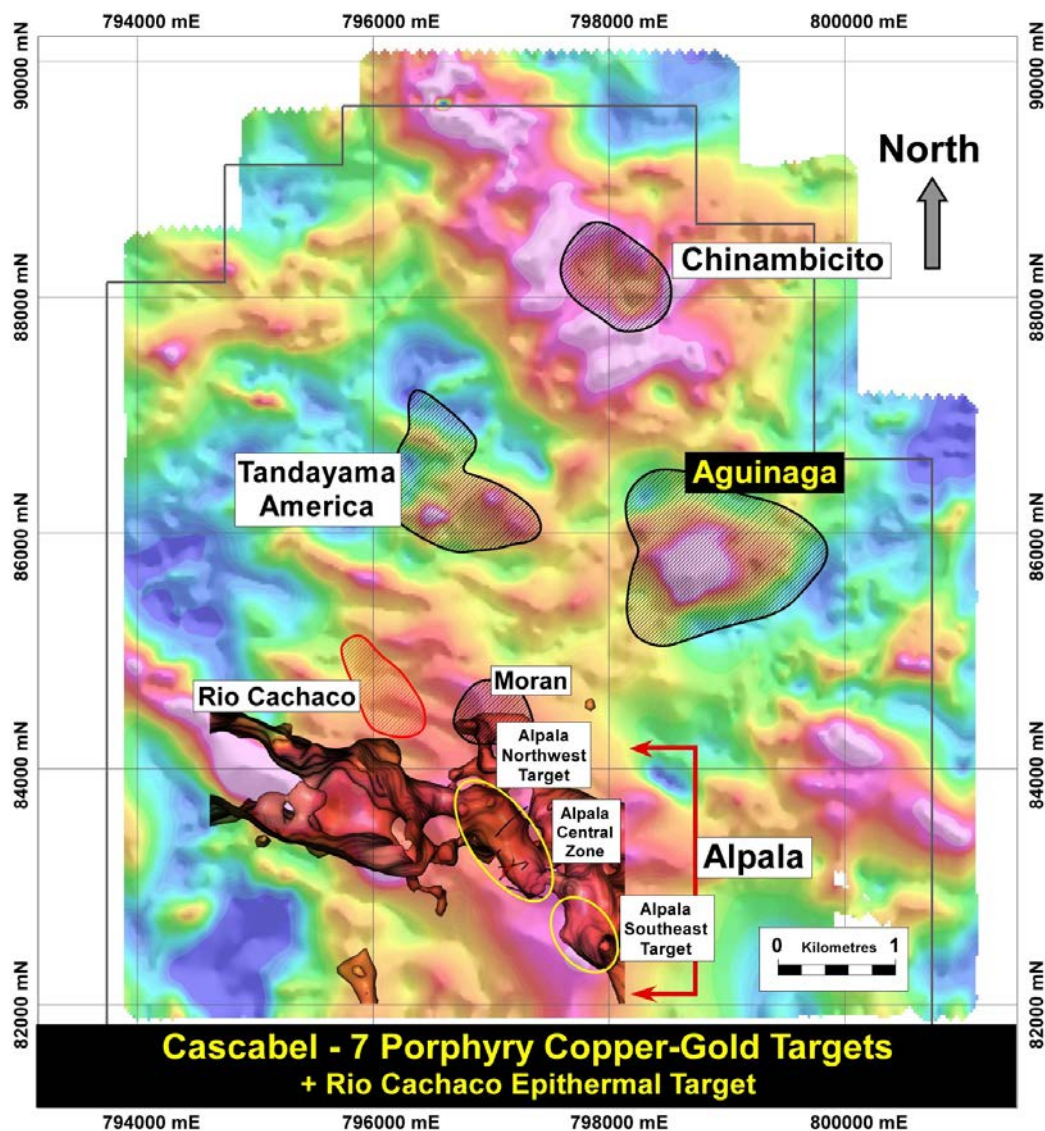


Figure 1: Location of the Aguinaga prospect, centred on a prominent magnetic high anomaly situated three kilometres northeast of Alpala. The base map shows the helibourne magnetic dataset that initially highlighted the Aguinaga area.

Summary of Aguinaga Orion Data

The Orion IP and MVI models at Aguinaga have undergone preliminary review, resulting in two major intrusive bodies being interpreted in the central part of the survey area beneath the surface copper, gold and molybdenum soil anomalies that occur over the Aguinaga hill.

Dominating the Aguinaga MVI model is a large central magnetic high surrounded by an annular zone of low magnetisation. The MVI model indicates the causative body is a high magnetic susceptibility sub-vertical body extending from close to surface to over 1500m depth (Figure 3).

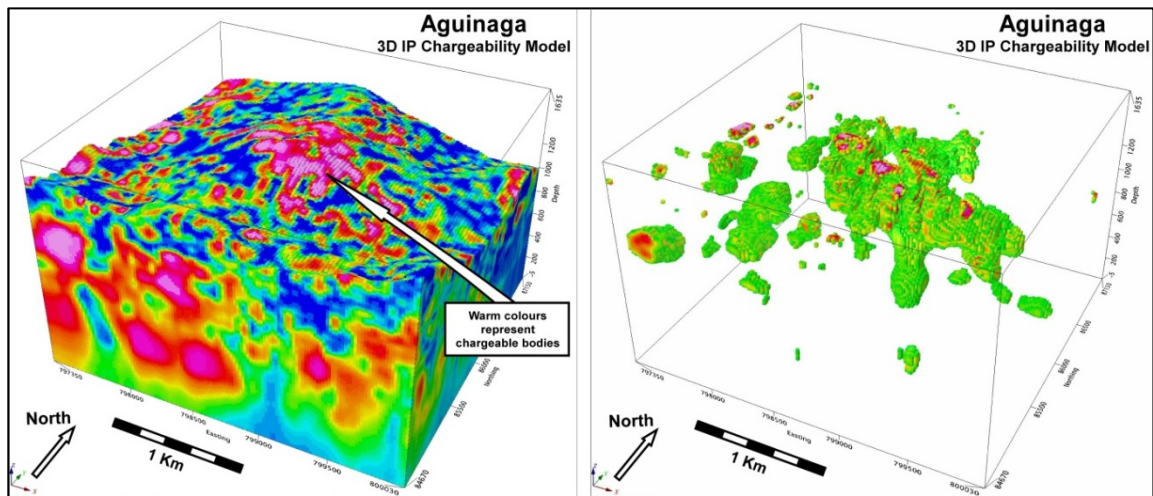


Figure 2: Images illustrating the three dimensional nature of the chargeability model at Aguinaga. Left: Chargeability block model at Aguinaga. Right - High chargeability blocks within the chargeability model at Aguinaga with near surface blocks trimmed. Due to the detailed nature of the Orion 3DIP models and the MVI model, these datasets are normally investigated using combinations of slices through the data and various 3D isosurfaces.

The Orion conductivity and chargeability data indicate that this central magnetic body is resistive and non-chargeable. In contrast the zone surrounding this magnetic high hosts several elongated conductors and chargeable anomalies. Some of these appear to radiate out from the central magnetic anomaly, possibly exploiting radial fractures. These observations suggest that the central magnetic feature is a late-stage intrusion within the 'Aguinaga Intrusive Complex'.

The elongate conductors and IP chargeability responses in the areas surrounding the two interpreted magnetic intrusives are interpreted to be the result of hydrothermal fluids exploiting and altering pre-existing faults around the periphery of the Aguinaga Intrusive Complex. The strongest, spatially coincident, elongated conductive and chargeable responses are orientated north-northwest (340 degrees) and are located on the north side of an interpreted late-stage magnetic intrusive (Figure 3). The upper surface of these conductive and chargeable responses lies at 1250RL (approximately 250 metres depth). These responses strengthen and are strongest about 1 kilometre north of the late-stage magnetic intrusive body where crosscutting structures are interpreted from magnetic data.

A feature of particular note is that directly beneath this structural junction, the coincident conductor and chargeability anomalies extend vertically downward, forming a chargeable and conductive pipe-like body (Figure 3). This anomaly is non-magnetic and extends over an approximate 900m vertical interval. This pipe-like chargeability anomaly likely represents highly altered rocks containing sulphides that lie above a deeper magnetic anomaly. Below 1000m depth, the magnetic susceptibility of the pipe increases steadily down to -400RL (approximately 1900 metres depth) which is the lower limit of the MVI model. This increase in susceptibility is interpreted to be due to secondary magnetite associated with sulphide. This forms the basis of a clearly defined porphyry target at Aguinaga (Figure 3).

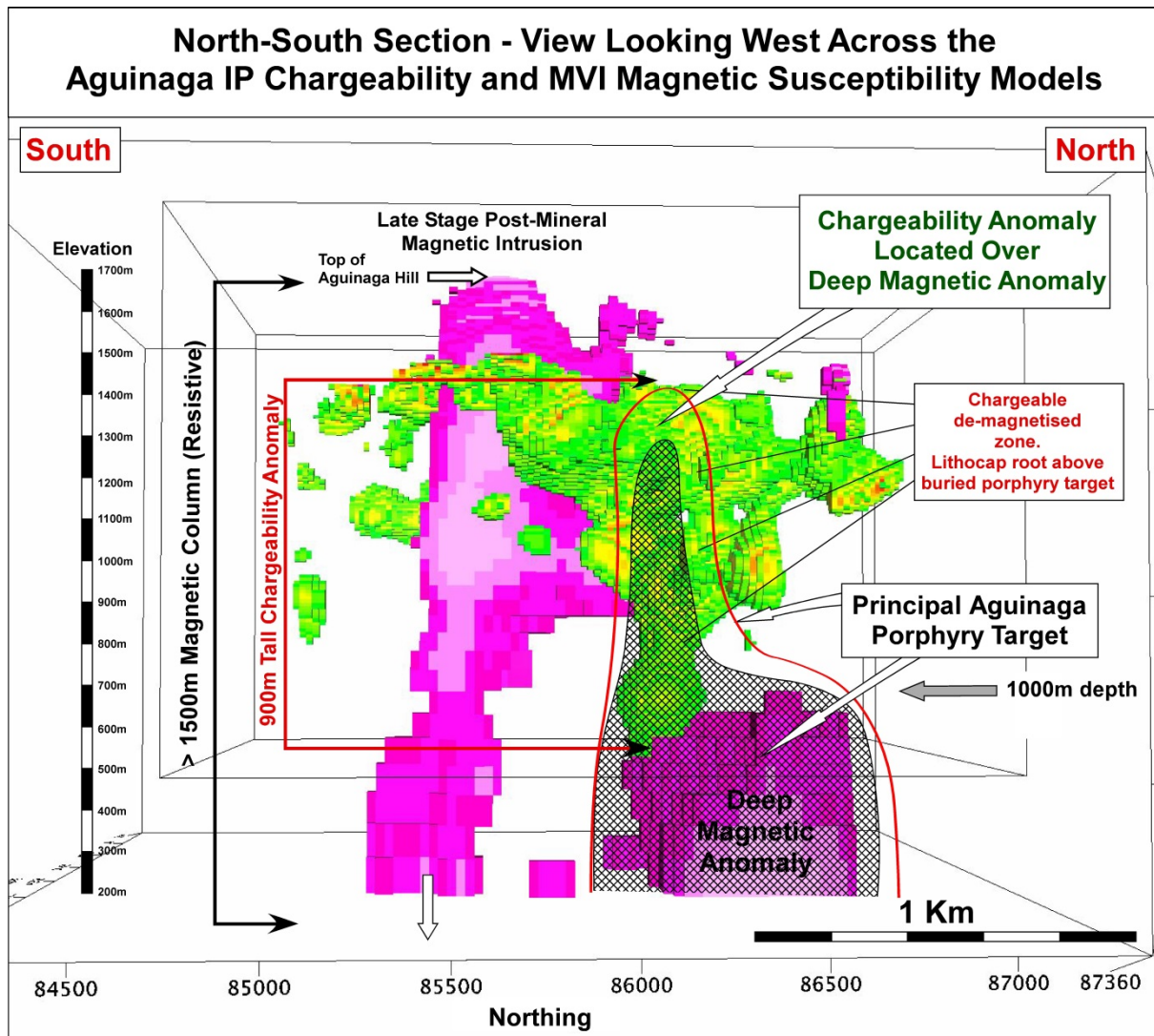


Figure 3: Vertical section looking towards the west across the Aguinaga prospect. The MVI block model is shown in pink while the Orion IP chargeability block model at 55 mSecs is shown in green. The 1500m tall magnetic column is interpreted as a late-stage resistive intrusion. The deeper magnetic anomaly to the north is a target for potassic alteration associated with a porphyry system below the northern flank of the Aguinaga hill, and overlain by a pipe-like column of strong chargeable response that extends 900m vertically and merges down onto the top of the deep magnetic target. Targets for mineralisation include both the deep northern magnetic anomaly and the column of chargeability that extends directly above it.

Additional details of the Aguinaga target will be provided following further integration and interpretation of datasets.

Due to the highly technical nature of the information provided in this market release, a Glossary of Terms is available on the SolGold website.



About Cascabel

SolGold owns 21.1m shares (approximately 11%) in TSX-V-listed Cornerstone Capital Resources (Cornerstone), and 85% of Exploraciones Novomining S.A. ("ENSA"). ENSA is an Ecuadorean registered company, which holds 100% of the Cascabel concession in northern Ecuador. Cornerstone holds the remaining 15% of ENSA.

The Cascabel project is located in northwestern Ecuador in an under-explored northern section of the richly endowed Andean Copper Belt. World class deposits located within this belt include the 982 million tonnes at 0.89% Cu Junin copper project located some 60km to the southwest of Cascabel, the 3.3 billion tonnes at 0.36% Cu Cobre Panama deposit located to the north in Panama and the 905 million tonnes at 0.92 g/t Au La Colosa porphyry deposit located to the north in Colombia, containing 26 million ounces of gold. The Alpala Prospect exhibits surface mineralisation and alteration patterns indicative of a porphyry copper gold system and has a similar footprint to large porphyry systems around the world.

Qualified Person:

Information in this report relating to the exploration results is based on data reviewed by Dr Bruce Rohrlach (BSc (Hons), PhD), the GM Exploration of the Company. Dr Rohrlach is a Member of the Australasian Institute of Mining and Metallurgy who has in excess of 26 years' experience in mineral exploration and is a Qualified Person under the AIM Rules. Dr Rohrlach consents to the inclusion of the information in the form and context in which it appears.

By order of the Board
Karl Schlobohm
Company Secretary



Contacts:

Mr Alan Martin

SolGold Plc (CEO and Managing Director)
amartin@solgold.com.au

Tel: +61(0) 488 223 828

Mr Nicholas Mather

SolGold Plc (Executive Director)
nmather@solgold.com.au

Tel: +61 (0) 7 3303 0665
+61 (0) 417 880 448

Mr Karl Schlobohm

SolGold Plc (Company Secretary)
kschlobohm@solgold.com.au

Tel: +61 (0) 7 3303 0661

Mr Ewan Leggat/Ms Katy Birkin

SP Angel Corporate Finance LLP (NOMAD and Broker)
Ewan.leggat@spangel.co.uk

Tel: +44 (0) 20 3470 0470

Richard Greenfield/ Alexandra Carse

GMP Securities Europe LLP (Joint Broker)
richard.greenfield@gmpeurope.com

Tel: +44 (0) 20 7647 2800

Mr Dominic Barretto / Ms Anna Legge

Yellow Jersey PR Limited (Financial PR)
dominic@yellowjerseypr.com

Tel: +44 (0) 7747 788 221

NOTES TO EDITORS

SolGold's exploration projects are located in northern Ecuador, Australia, and the Solomon Islands. In Ecuador, they consist of a joint venture with Cornerstone Capital Resources Inc. on the Cascabel copper-gold project. In Australia, SolGold holds 100% of the Rannes, Mt Perry, Cracow West and Normanby Projects, all in southeast Queensland. In the Solomon Islands they comprise the Fauro Project (located on Fauro Island), and the Lower Koloula, Malukuna and Kuma licenses, which are located on Guadalcanal.

The Cascabel copper-gold project is located approximately 180 km by sealed road north of Ecuador's capital, Quito, 20 km south of the Colombian border, and 75 km inland from the coastal city of San Lorenzo. At the Rannes project SolGold has announced indicated and inferred resources of 18.7 million tonnes at 0.9 g/t gold equivalent (gold + silver) for 550,146 ounces of gold equivalent (296,657 ounces of gold and 10,137,736 ounces of silver; see announcement dated 23 May 2012 for details of the resource statement and gold equivalent ratios). The Rannes project is currently under review.

In the Solomon Islands, a soil geochemical survey and 3D modelling of magnetic data has been approved at Kuma.

SolGold's objective is to create substantial shareholder value by discovering and defining world-class copper-gold deposits.



SolGold's Board includes accomplished professionals with strong track records in the areas of exploration, mine development, investment, finance and law. Board and Management have significantly vested interests in the Company, holding approximately 14% of its issued share capital.

SolGold is based in Brisbane, Queensland, Australia. The Company listed on London's AIM Market in 2006, under the AIM code 'SOLG' and currently has a total of 652,153,202 fully paid ordinary shares, 12,820,000 options exercisable at 50p, 12,730,000 options exercisable at 28p and 9,730,000 options exercisable at 14p.

CAUTIONARY NOTICE

The news release may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's directors. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of the Company that could cause the actual performance or achievements of the Company to be materially different from such forward-looking statements. Accordingly, you should not rely on any forward-looking statements and save as required by the AIM Rules for Companies or by law, the Company does not accept any obligation to disseminate any updates or revisions to such forward-looking statements.