25 June 2015

Sula Iron & Gold plc
("Sula" or the "Company")

Project Update
Completion of Independent Check Sampling Programme and Re-evaluation of Historic Gold Exploration Data

Sula Iron & Gold plc ("Sula"), the exploration and development company focused on coltan, gold and iron ore in Sierra Leone, is pleased to announce that a programme of independent check sampling has been completed and a re-evaluation of all data supporting the primary gold target in the Company's flagship Ferensola Project is currently underway. These activities are being conducted by Mr Howard Baker, Non-executive Technical Director of Sula, and Dr Chris Bonson, Principal Consultant (Structural Geology) of SRK Consulting (UK) Ltd, who jointly visited the Ferensola Project between 10 June 2015 and 17 June 2015.

Previous Gold Exploration Activities

The first reported geological investigations in the Ferensola Project area were undertaken between 1918 and 1921 by Mr F. Dixey who discovered the existence of the schist belt, which makes up the Sula-Kangari Belt. In 1958, Wilson and Marmo were the first to report the presence of gold within the area, contained in quartz-pyrite-tourmaline veins sampled within a number of trenches. Modern exploration on the area was initiated in 2002, when Mano River Resources Inc., and subsequently Golden Leo Resources Limited, a joint venture between Golden Star Resources Ltd and Mano River Resources Inc., undertook a range of soil sampling, trenching and drilling programmes, the detail of which is detailed in Sula's Admission Document which can be found on the Company's website here:

http://www.sulaironandgold.com/wp-content/uploads/2014/05/SULA-Admission-Document.pdf

In summary, the historical exploration highlights from the Ferensola Project include:

- 2004 – Regolith soil sampling on a 800m x 100m grid completed by Mano River Resources Inc.
- 2005 – Airborne magnetic survey completed by Sierra Leone Diamond Company
- 2006 – Infill regolith soil sampling on a 200m x 50m grid completed by Mano River Resources Inc.
- 2007 to 2008 – Completion of 388 RAB drill holes for 3,406m (which reported 9m at 7.4g/t Au and 5m at 2.35g/t Au from recently located collars within the Ferensola Project) completed by Golden Leo Resources Limited
- 2008 to 2010 – Diamond drilling totalling 34 holes for 5,612m (which reported 8.72m at 10.46g/t Au, 2.00m at 8.76g/t Au, 9.03m at 6.63g/t Au and 1.55m at 11.68g/t Au) completed by Golden Leo Resources Limited
- 2010 – Induced polarisation survey over specific areas of interest conducted by Sagax Afrique (S.A)

In respect to the Ferensola gold targets located in the vicinity of the villages of Dalakuru, Yafarina and Lagunda, Sula has completed the following work programmes since acquisition of the licence:

- 2012 – Grab sampling by SRK Exploration Services, during the Competent Person Report site visit for the Sula Admission Document
- 2013 – Licence-scale mapping by SRK Exploration Services
- 2013 – Ground magnetic survey completed by SRK Exploration Services over the Lagunda-Yafarina area

- 2013 – Regolith sampling over Lagnuda-Yafarina on a 100m x 25m grid completed by SRK Exploration Services
- 2014 – Ground magnetic survey completed by SEMS Exploration over the Dalakuru area
- 2014 – Regolith soil sampling over Dalakuru on a 100m x 25m grid completed by Sula
- 2015 – Trenching across areas of interest as identified through the previous studies, completed by Sula

Previous Gold Exploration Results

Previous exploration highlighted the occurrence of high grade gold associated with occurrences of massive sulphides with the primary target being located less than 400m from the Ferensola camp, shown in Figure 1.

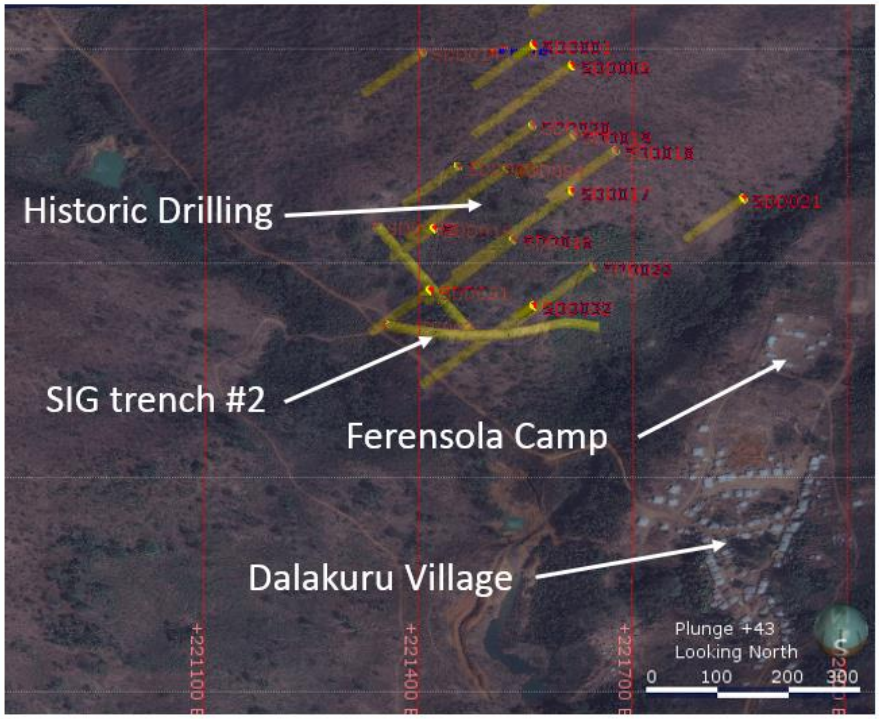

Figure 1: Location of Ferensola camp and historic diamond drillholes. SIG trench #2 also shown.

Sula Iron & Gold plc

From the diamond drilling completed within the primary target, three drillholes intersected mineralisation within the bedrock, with reported intervals summarised as follows:

- Drillhole SDD004: 8.72m at 10.46g/t Au and at 2.00m at 8.76g/t Au
- Drillhole SDD033: 9.03m at 6.63g/t Au
- Drillhole SDD016: 1.55m at 11.68g/t Au

Figure 2 shows the location of the mineralised intervals, in association with the results of the historic soil anomaly, the location of the high grade RAB sample (7.4g/t from drillhole SONRB024) and the location of a 4.92g/t Au “gold stone” sample, as reported by SRK Exploration Services in Sula’s Admission Document. The mineralised intervals from RAB and diamond drillholes appear to broadly define a north-south linear trend, supported to a certain extent by the location of the SRK Exploration Services gold stone sample.

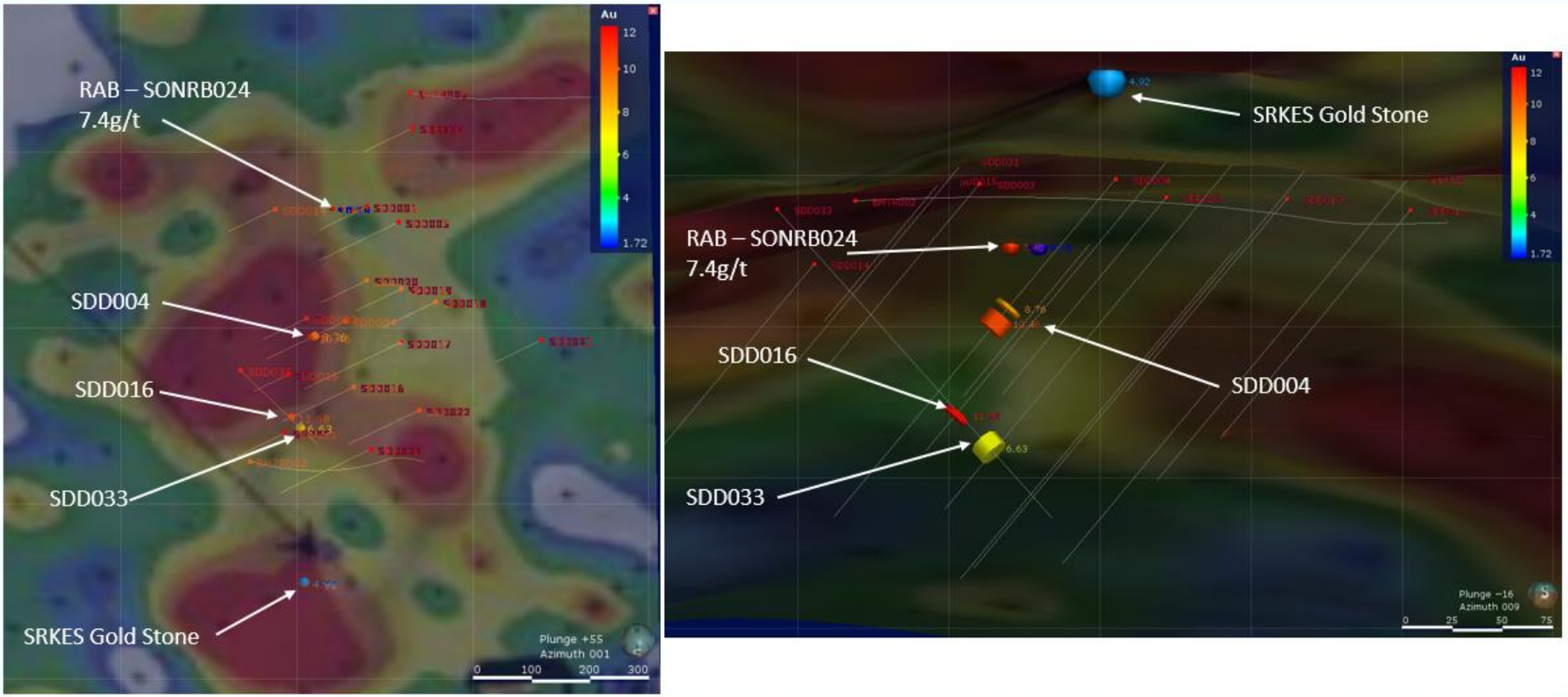

Figure 2: Historic diamond drilling results in relation to the historic 25ppb soil anomaly (left) and view looking north (right) showing the drill intersections, high grade RAB assay and SRKES gold stone grab sample.

Sula Iron & Gold plc

Figure 3 shows the historic drill intersections, shown against the Total Magnetic Intensity data compiled from programmes completed by SRK Exploration Services and SEMS Exploration [in 2013 and 2014]. This data shows a potentially more complex interpretation and is currently under review as part of the recent site visit undertaken by Mr Baker and Dr Bonson. The magnetic anomaly is believed to be associated with pervasive magnetite alteration of an amphibolite unit which hosts the observed sulphide mineralisation. In addition, the magnetic anomaly is clearly continuous to the northeast and southwest of the current known mineralisation. Figure 3 also shows the location of a soil sample collected during the 2014 soil sampling programme which returned an assay from ALS Minerals (South Africa) of 54.4g/t Au.

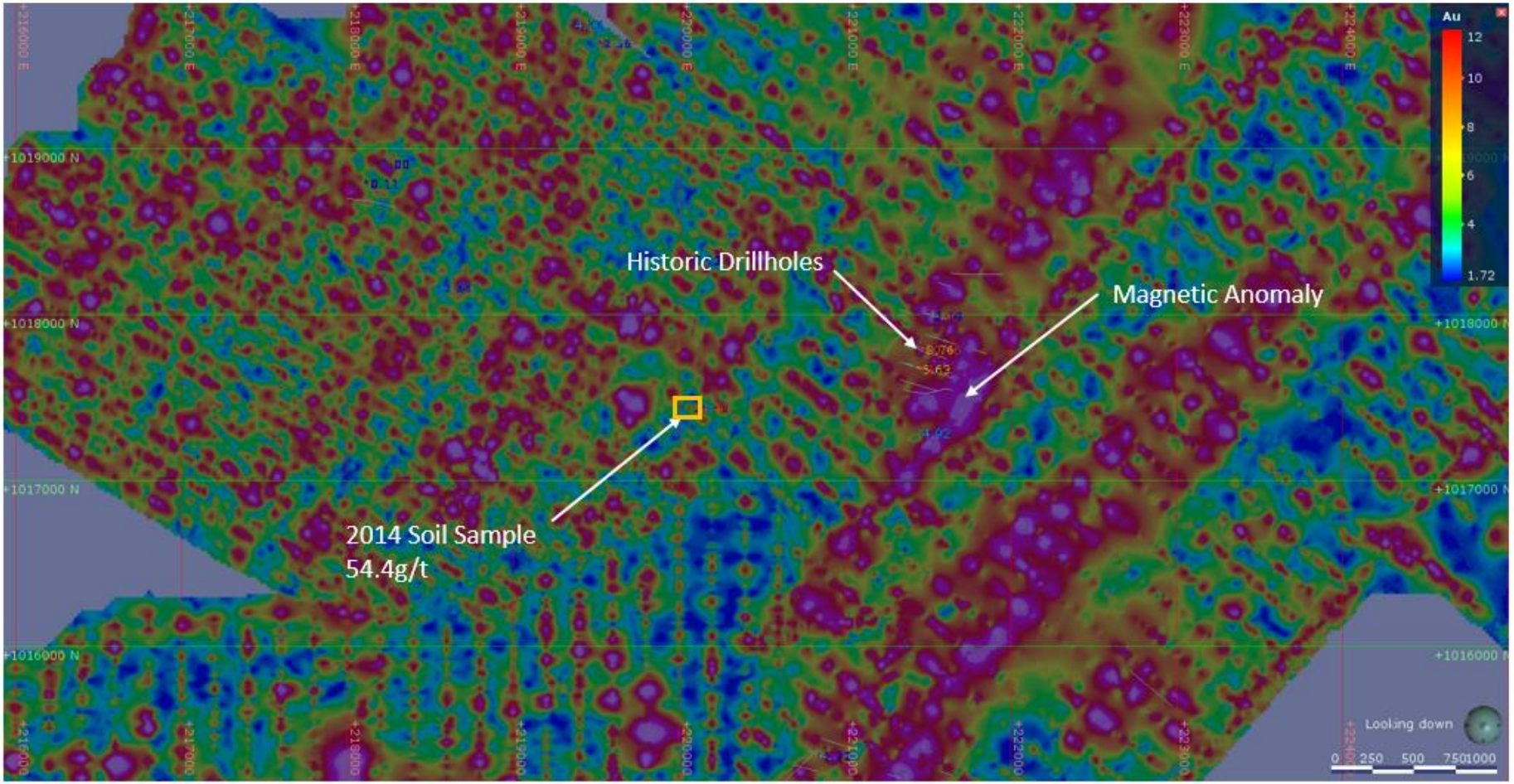

Figure 3: Combined SRK / SEMS Total Magnetic Intensity Data – Reduced to Pole Analytical Signal showing drillholes and high grade grab sample (54.4g/t)

Sula Iron & Gold plc

Current Work Programme

The recent site visit by Mr Baker and Dr Bonson was undertaken to consolidate all work completed to date and to assist in the definition of drill targets and to define an Exploration Target for the Ferensola Project that is compliant with Internationally Recognised Reporting Codes for Mineral Resources and Mineral Reserves. In summary, the work programme completed during the visit included the following key activities:

- familiarisation with the project-scale geology and an assessment of the styles of mineralisation present;
- independent check sampling on areas of interest within the recently completed trenches, as reported in the Quarterly Activity Report, dated 23 April 2015. (http://www.sulaironandgold.com/wp-content/uploads/2015/04/Quarterly-Activity-Report-Issue-2.pdf);
- logging and check sampling of the historic diamond drill core;
- logging and sampling of known historic trenches;
- identification of additional historic drill collars that correlate with previously reported assay results;
- review of the available geophysical data and ground-truthing areas of significance relating to known mineralisation;
- inspection of key artisanal workings;
- selection of previously collected soil samples from areas of interest for analysis; and
- collection of additional grab samples from areas of interest.

In total, 108 samples were collected which have been dispatched for sample preparation and assaying. Work is currently in progress to consolidate all data into a conceptual geological model to assist in the generation of an Exploration Target and to assist in the development of a suitable exploration drill programme, to generate the maiden Mineral Resource Estimate for the Ferensola Project. The results of the recent sampling programme are expected to be finalised within three weeks.

Figure 4 shows the styles of mineralisation observed during the recent site visit. Plates 1, 2 and 3 represent the variably weathered massive sulphide mineralisation from the surface or near surface. Plate 1 is “gold stone” material that is actively mined by local artisanal miners. Plates 2 and 3 represent the partially weathered massive sulphide showing varying degrees of oxidation. All samples from Plates 1, 2 and 3 were collected from the same location as the SRK Exploration Services gold stone sample that returned a grade of 4.92g/t Au. Of particular note, the sample shown in Plate 2 displays tight folding that is indicative of the potential structural framework of the Ferensola Project target. The grab samples shown in Plates 1, 2 and 3 were sampled from dumps directly adjacent to artisanal workings and are believed to be locally derived. Plates 4 and 5 are examples of primary mineralisation from the historic diamond drill holes. Mineralisation occurs as a sulphide matrix in breccias affecting pre-existing quartz-tourmaline veins. Sulphide species include pyrite, pyrrhotite and chalcopyrite. The sulphides show a strong association with magnetite within the amphibolite host, however this is not believed to be related to a Banded Iron Formation.

Upon return of the assay results from ALS Minerals, Ireland, all data will be compiled to assist with the generation of an Exploration Target for the Ferensola Project.

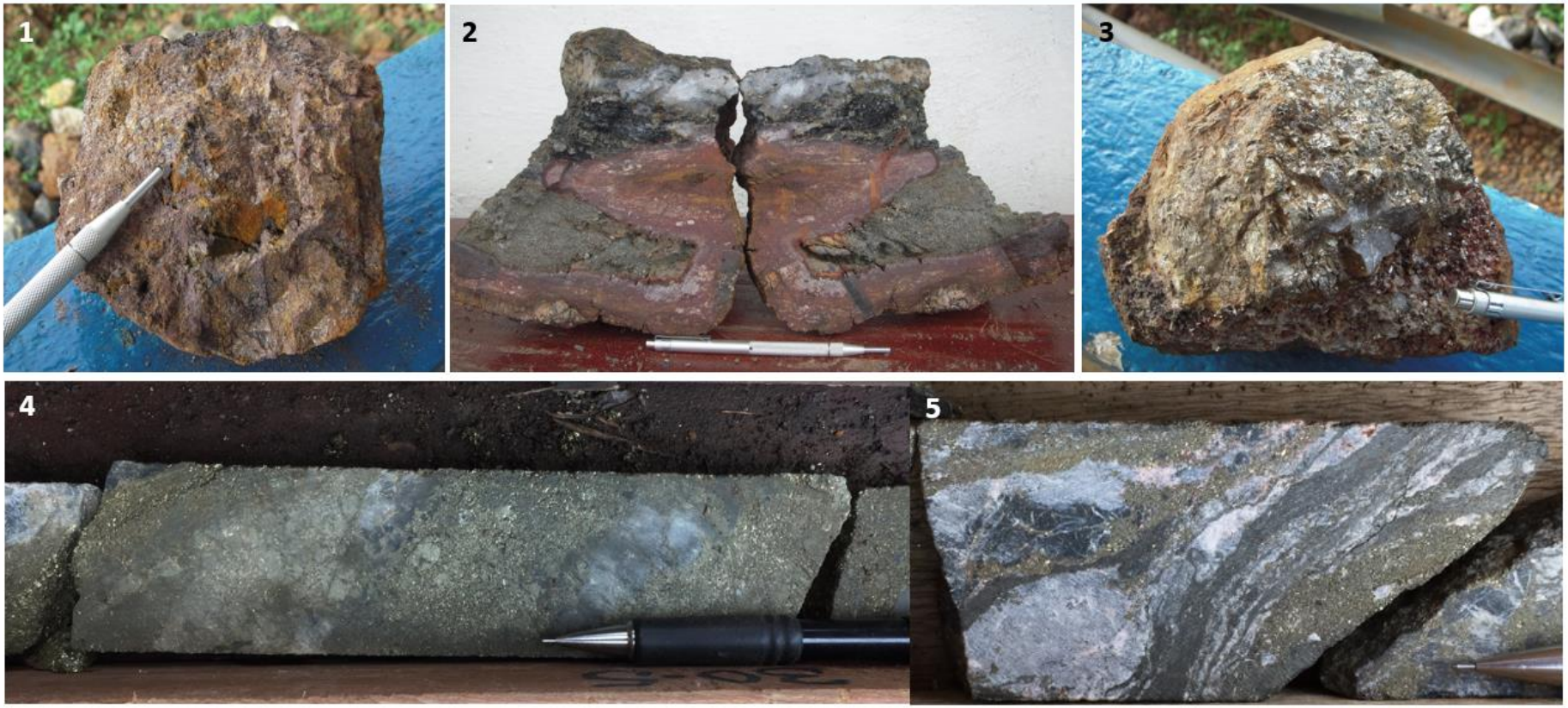

Figure 4: Ferensola mineralisation styles observed during the site visit. 1 – Weathered gold stone. 2 – Weathered massive sulphide within fold hinge. 3 – Partially weathered massive sulphide. 4 – Fresh massive sulphide breccia. 5 – Fresh massive sulphide mineralisation with minor shear zone

Sula Iron & Gold plc

Nick Warrell, CEO, commented: “The visit to our Ferensola Project by our Non – executive Technical Director Howard Baker and Dr Chris Bonson of SRK Consulting (UK) Ltd and their subsequent re-interpretation of the geology and the data of our gold project is both highly informative and exciting. We look forward to updating the market with further news regarding the forthcoming assay results and subsequently a clearly defined exploration drill target.”

****ENDS****

For further information please contact:

Sula Iron & Gold plc

Nick Warrell / Matt Wood +44 (0) 20 7583 8304

Strand Hanson Limited (Financial and Nominated Adviser)

Simon Raggett / James Harris / James Dance +44 (0)20 7409 3494

VSA Capital Limited (Broker)

Bhavesh Patel / Richard Buckle +44 (0) 20 3617 5177

Yellow Jersey PR (Financial PR)

Dominic Barretto / Kelsey Traynor +44 (0) 7768 537 739

Notes:

Sula Iron & Gold plc is a multi-commodity exploration company focused in West Africa. The Company's main objective is to explore and advance its 153 sq. km Ferensola Project in Northern Sierra Leone, which is highly prospective for coltan, gold and iron ore. In December 2014, the Company achieved a corporate milestone in delivering its JORC MRE for the BIF 1 iron ore project in which total resource of 514.5Mt @ 31.8% Fe was identified and total oxide resource of 55.5Mt @ 45.26% Fe.

The information in this release that relates to Exploration Results has been reviewed by Mr Howard Baker, Non-Executive Technical Director of Sula Iron and Gold plc. Mr Baker is a Chartered Professional Fellow of the Australasian Institute of Mining and Metallurgy (#224239) and a Competent Person as defined in the Australasian Code for reporting of exploration results and Mineral Resources and Ore Reserves.

Coltan

Columbite-Tantalite also known as ‘coltan’ is a dull black metallic ore from which the metals niobium and tantalum are extracted. There is a high demand for tantalum in the technology industry.