



9 December, 2014

SolGold plc
("SolGold" or the "Company")
Cascabel Exploration Update
Further Strong Visual Copper Sulphides in Hole 9
Extends Intersection to Over 1 Kilometre

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:

- **Strong visual copper sulphide mineralisation intersected from 1168.28m to 1455.64m, over an interval of 287.36m and continuing in Hole CSD-14-009 ("Hole 9");**
- **Visual copper sulphide mineralisation intersected over a 1 kilometre downhole interval from 452.45m to 1455.64m depth (current hole depth);**
- **Strong visual copper sulphides including appearance of bornite continuing at current hole depth;**
- **Strong visible copper mineralisation and quartz veining now extended below and lateral to the high grade Hole 5 intersection; and**
- **High grade copper-gold resource targeted at Alpala.**

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

"The intersection of more than a kilometre of visual copper sulphide mineralisation, including local appearances of copper rich bornite, in Hole 9 is very pleasing. The mineralisation appears to be continuing to greater depth and with the intersection occurring laterally to Hole 5, extends the high grades into a third dimension at Central Alpala. SolGold appears to be homing in on a high grade resource target at Alpala."

FURTHER INFORMATION

Hole 9

Hole 9 is located 120m north of the Hole 5 drill pad and is being drilled with an 85 degree inclination towards 210 degrees UTM (Universal Transverse Mercator) (Figures 1 and 2). Hole 9 was sited to test for the northwest extension of the high-grade mineralisation in Hole 5 and to test for vertical extension of the high grade copper and gold mineralisation up to 500m below the high-grade Hole 5 intersection.



Drilling of Hole 9 commenced on 28 October 2014. On 7 December 2014 the hole was at 1455.64 metres depth and located within the MVI modelled magnetic high.

On 2 December the Company reported a high grade copper and gold intersection from 650m to 810m depth over a 160m interval which graded 0.84% copper ("Cu") and 1.56 g/t gold ("Au") for 1.78% Cu-equivalent. This intersection included a higher grade core of 80m grading 1.32% Cu and 2.72 g/t Au (for 2.95% Cu-equivalent) which was open at depth at 810m.

Hole 9 has now intersected a second zone of strong visual Cu sulphide mineralisation. This second zone commences at 1168.28m depth and continues to the current downhole depth of 1455.64m, over a distance of 287.36m. Cu sulphide mineralisation is associated with quartz B-vein stockworks, with vein abundances averaging 15-20% across the 287.36m interval, and with estimated vein abundances up to 35% in some intervals. The interval of strong visual mineralisation shows abundant magnetite and persistent biotite that defines the potassic alteration assemblage. The local appearance of the copper rich sulphide mineral bornite in Hole 9 is consistent with the hole still penetrating the outer part of the mineralised system, with the higher Cu tenor mineral bornite anticipated to increase at deeper levels of the Alpala porphyry system.

This second interval of strong mineralisation occurs within a quartz diorite intrusive, which is interpreted to be the same intrusive host rock as the high grade intersection in Hole 5. Mineralisation continues to be dominated by coarse chalcopyrite within B-veins and overprinting C-Veins and as disseminations in the intrusive host rocks. Figure 2 shows a southwest-northeast cross-section through Hole 9 at Alpala.

Hole 9 continues to intersect visible Cu sulphide mineralisation at the current depth of 1455.64m.

Visual Cu sulphide mineralisation in Hole 9 has now been intersected over a downhole interval of 1003.19m, from 452.45m to the current hole depth of 1455.64m. Strong visual mineralisation has now also been demonstrated to occur at a relative level ("RL") that is below the base of and 120m laterally north of the Hole 5 intersection. The Hole 5 intersection from 458m to 1346m, comprised 888m grading 0.77% Cu and 0.72 g/t Au (for 1.21% Cu-equivalent) as reported on 10 November 2014. This important observation substantiates the confidence SolGold has in the presence of a strongly mineralised porphyry target at Alpala.

Plates 1-19 show examples of the coarse grained chalcopyrite intersected in 'B-veins' and 'C-veins' from Hole 9 from over the downhole depth interval 1185.20m to 1452.35m.

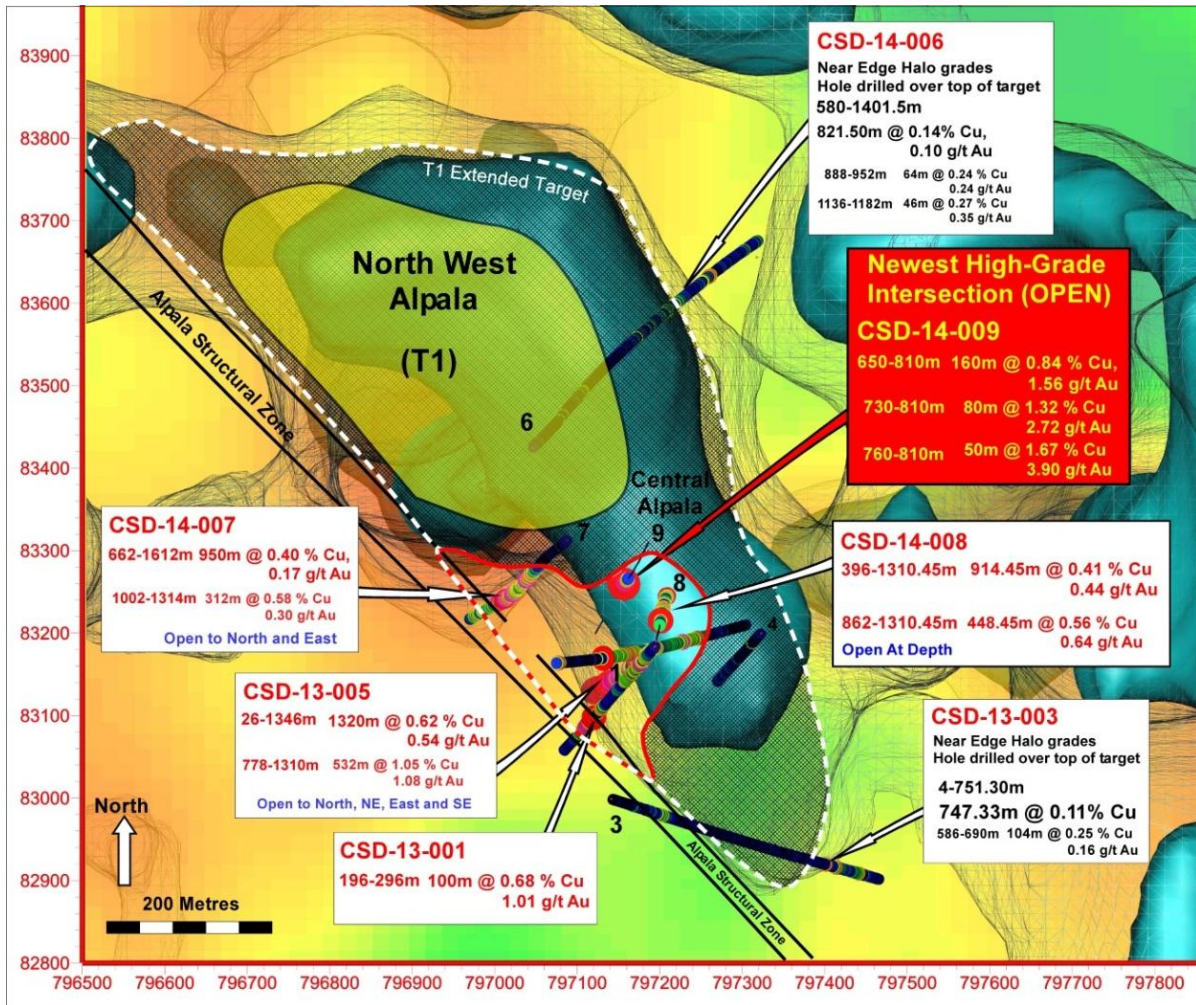


Figure 1: Location of drill holes at Central Alpala. The red outline shows the area tested by Holes 5, 7 and 8, whilst the dashed white outline shows the extent of the Central and Northwest Alpala target (Target T1). Presently only 14% of the lateral target areas at Central and Northwest Alpala have been tested by drilling. Hole 9 is presently testing for lateral and depth extensions of the high-grade copper-gold mineralisation encountered in Holes 5, 7 and 8. Holes 3 and 6 have assisted in refining the target area, which will continue to evolve with future drill holes. It is important to note that Holes 3 and 6 both drilled over the top of the Alpala target.

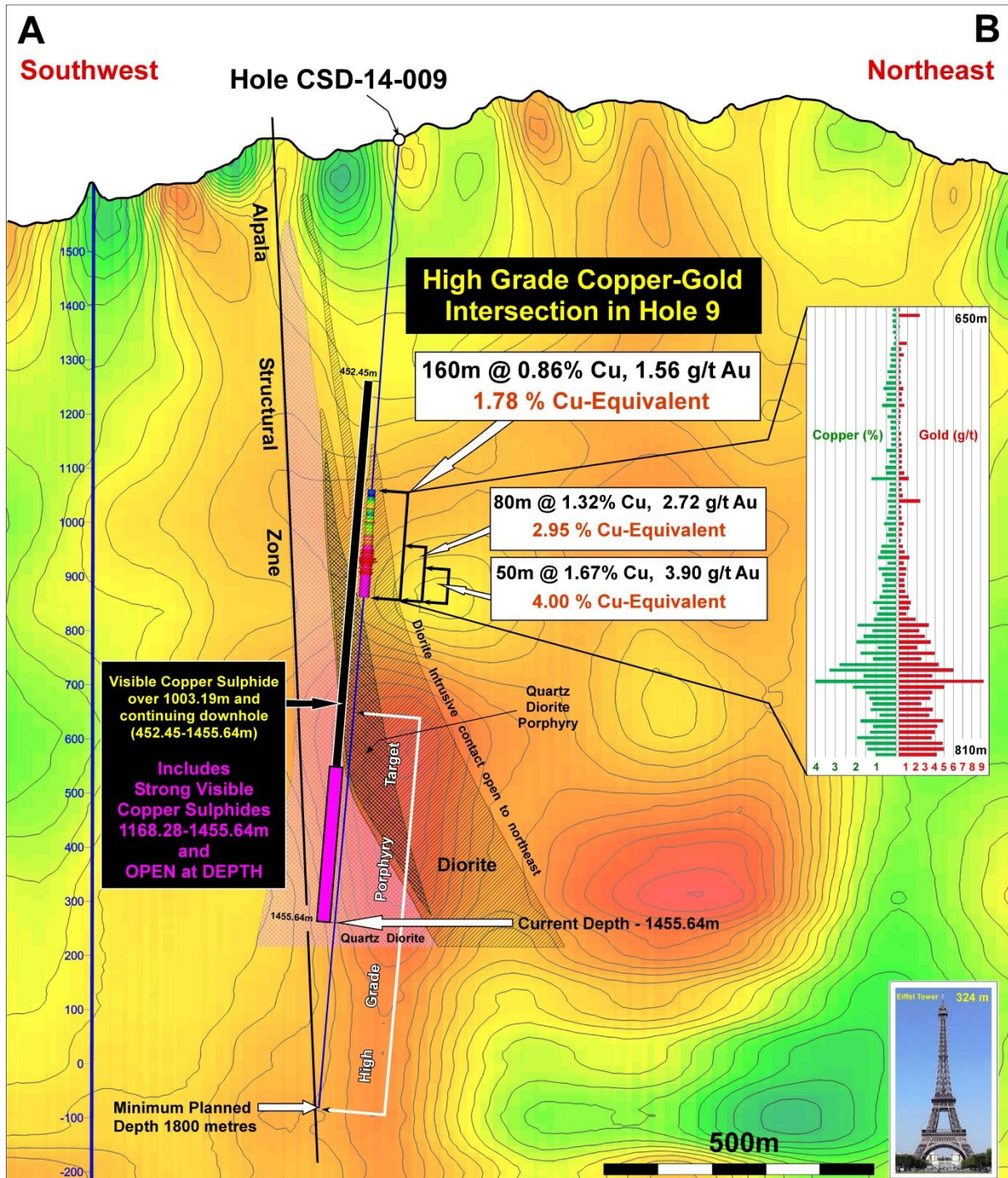
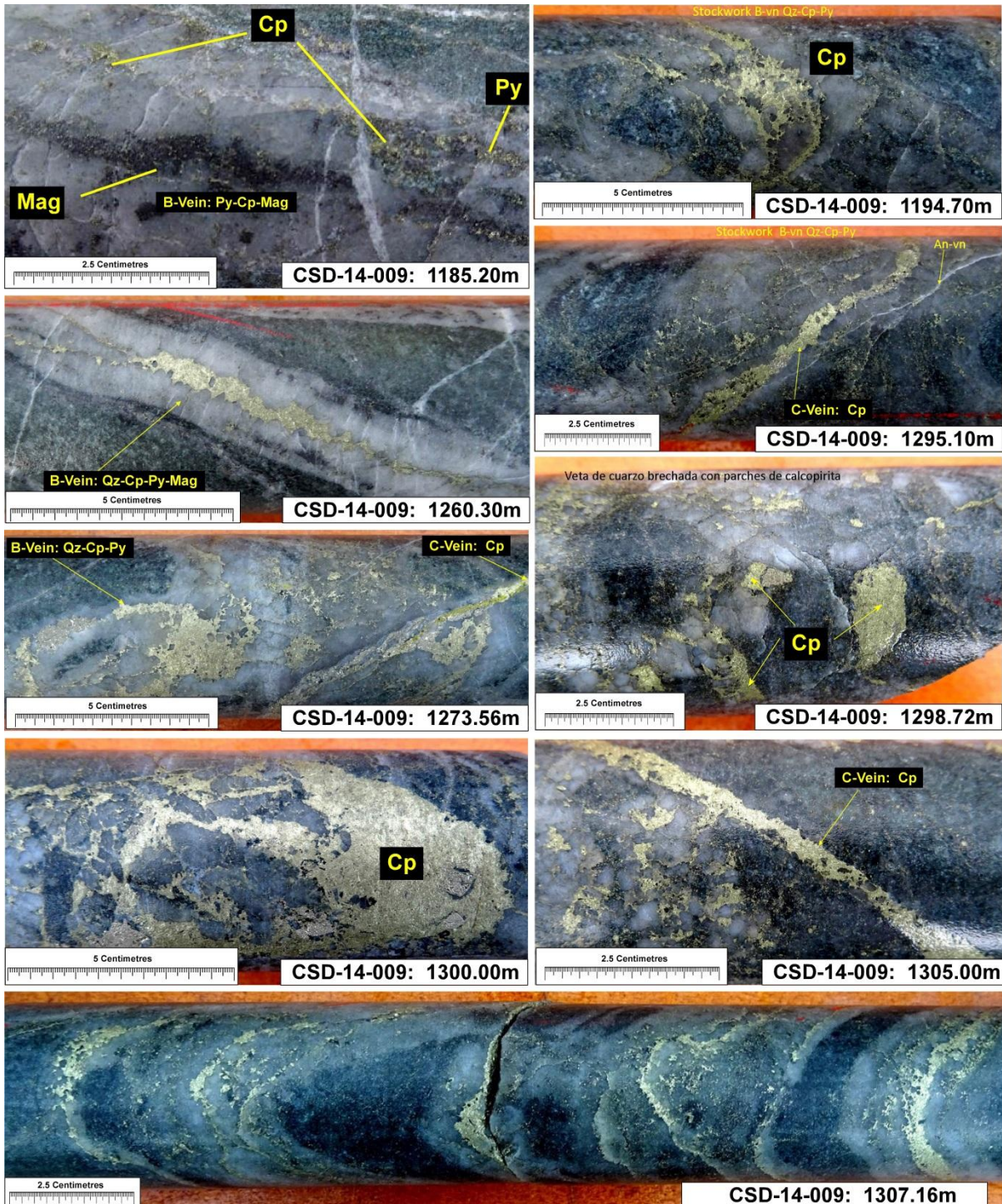
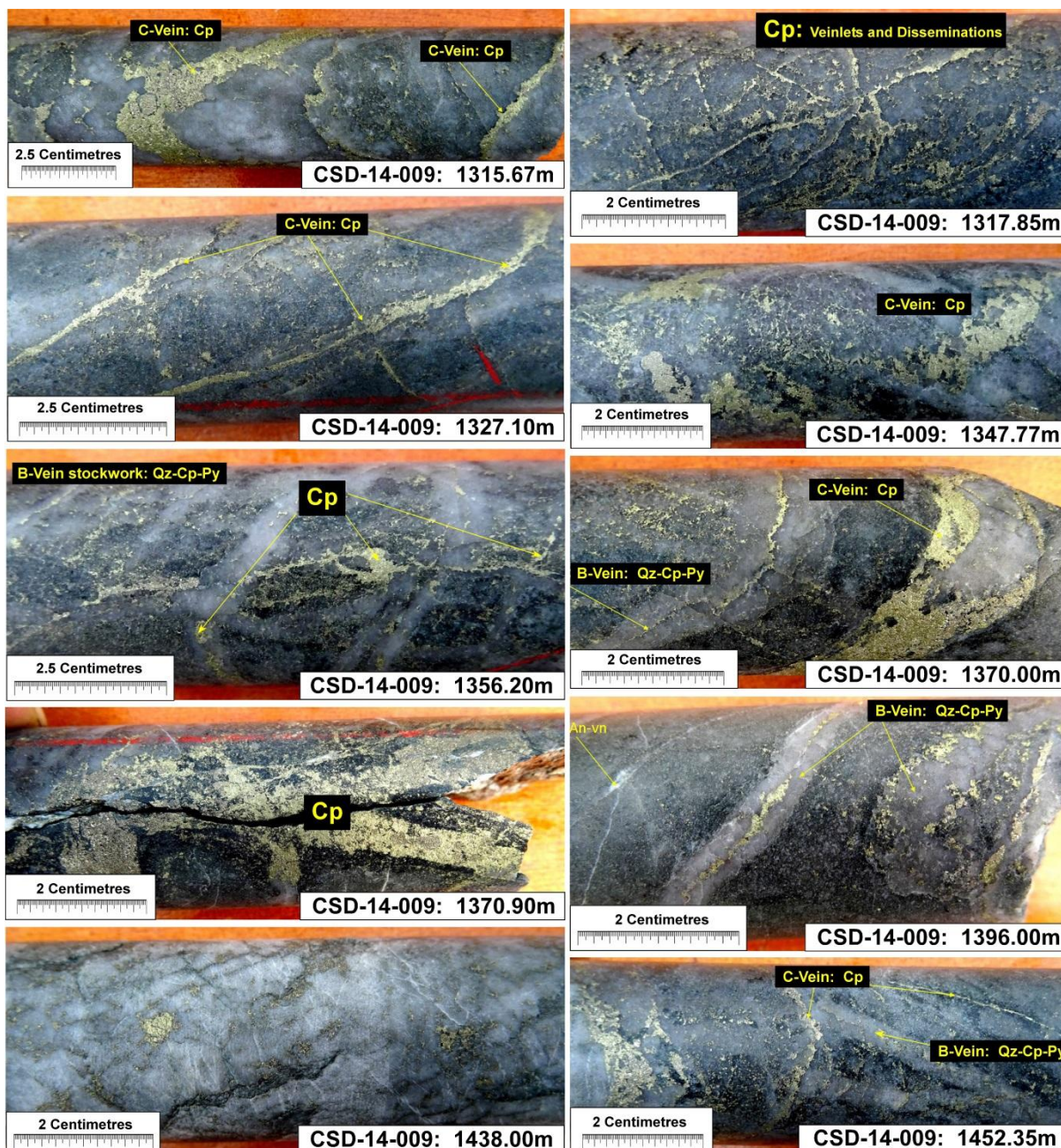


Figure 2 – Northeast-southwest cross-section through Hole 9 and the MVI model. The black and pink bars combined show the downhole extent of visible copper sulphides observed over 1003.19m, from 452.45m downhole depth and continuing at current hole depth of 1455.64m. Strong visual copper sulphide mineralisation has been intersected within a quartz diorite over a 287.36m interval and is open at depth (pink bar).



Plates 1-9: Images of drill core from Hole 9 over the interval 1185.20m to 1307.16m. Mineral legend: Qz (quartz), Cp (chalcopyrite, CuS), Py (pyrite) and Mag (magnetite).



Plates 10-19: Images of drill core from Hole 9 over the interval 1315.67m to 1452.35m. Mineral legend: Qz (quartz), Cp (chalcopyrite, CuS) and Py (pyrite).

About Cascabel

SolGold owns 85% of Exploraciones Novomining S.A. (“ENSA”) and 21.1m shares (approximately 11%) in TSX-V-listed Cornerstone Capital Resources (Cornerstone). 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

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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.