



# SolGold

## THE CASCABEL PROJECT A TIER 1 COPPER-GOLD DISCOVERY

**Sol** is the Latin word for sun.  
In ancient Inca mythology, **Gold** was referred to as "solid tears of sunlight".



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Metal prices used in this presentation: US\$2.20/lb for copper & US\$1,350/oz for gold.



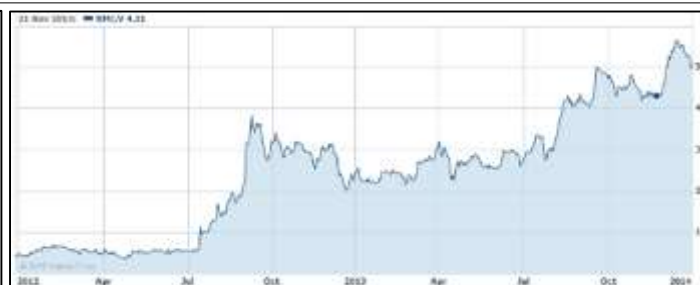
# SolGold – What can we expect as we advance Cascabel?

- Growing investment fund, corporate and institutional interest
- Repeat discoveries on satellite targets in Cascabel area
- Targeting a discovery based re-rating (examples below)

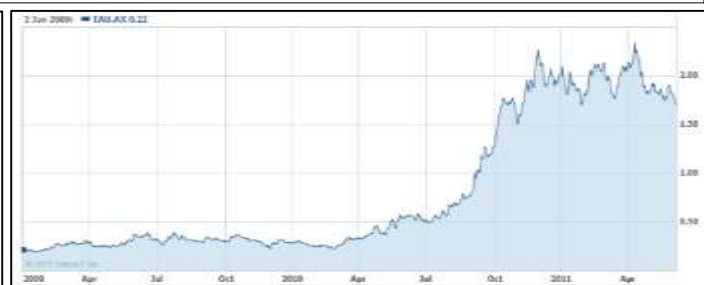
Imperial Minerals (Red Chris) III:TSX



Reservoir Minerals (Timok) RMC:V



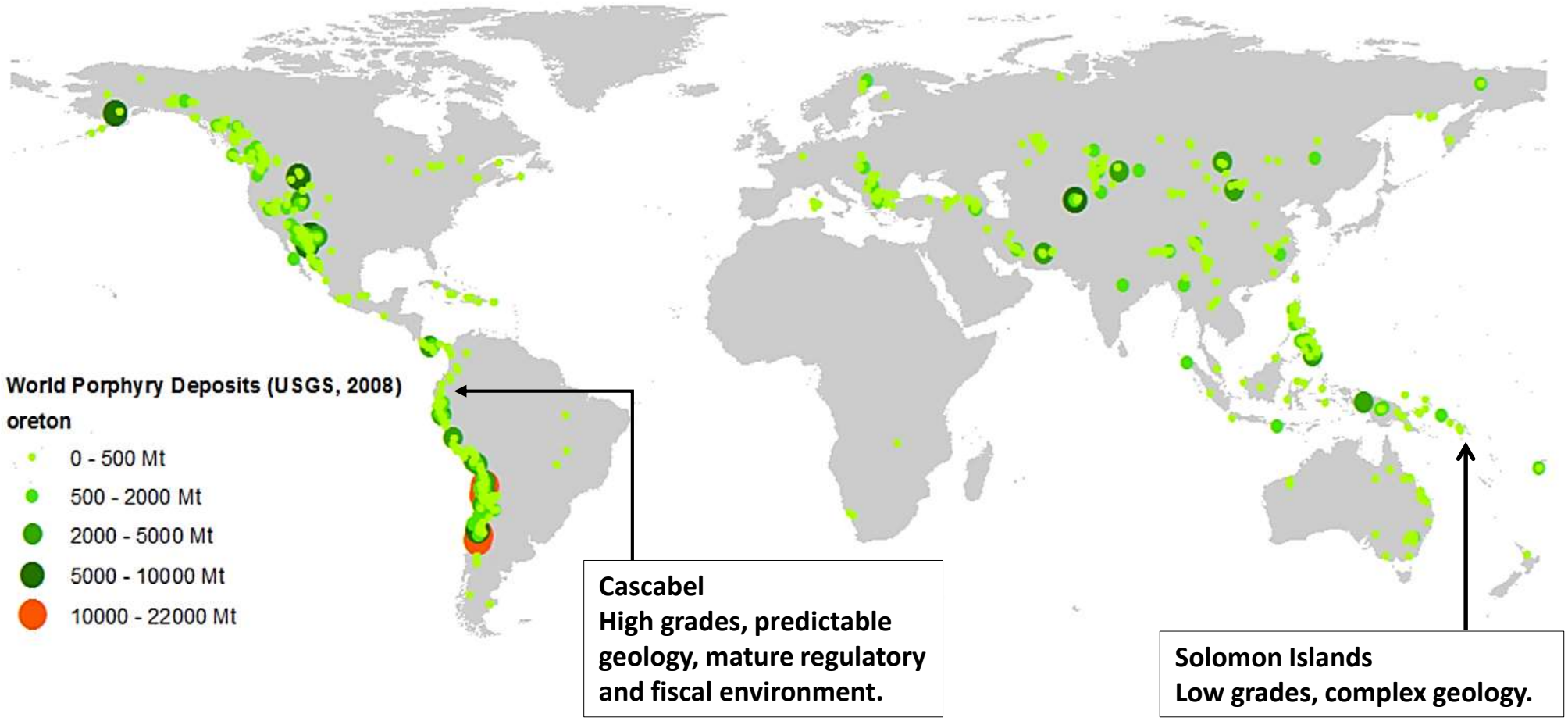
Intrepid Mines Ltd (Tujuh Bukit) IAU:ASX





# Big copper deposits – look where there’s lots of them

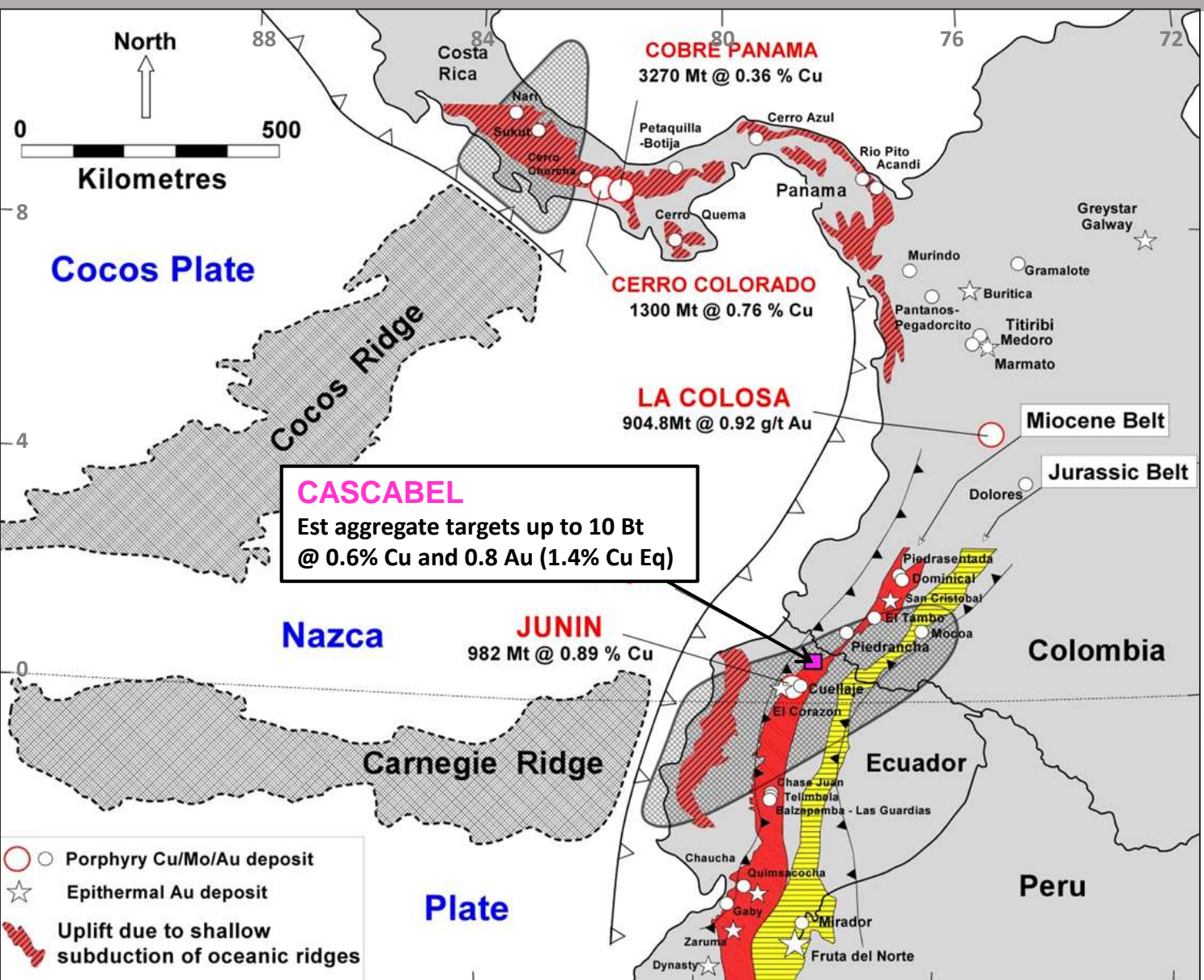
**The Andean Copper Belt produces 48% of the world’s copper**



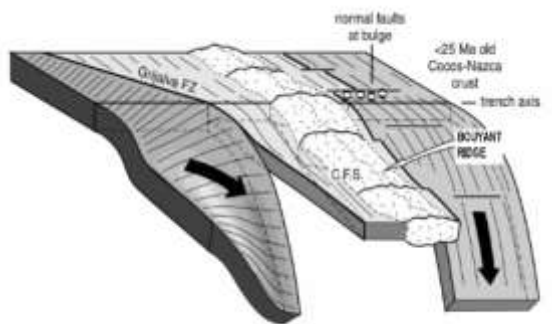
Data derived from USGS (Singer, Berger, & Moring, 2008)



# The thick Carnegie Ridge introduces more copper and gold – big rich orebodies



- Thick buoyant oceanic slabs – Carnegie Ridge
- High copper gold contents
- Low angle plate collision promotes uplift
- Melts slowly
- Metals distill into melts
- Fractured Andean plate permits high volume porphyry emplacement
- Eocene Age – same age as Chilean Giants



\*after Gutscher, Malavielle, & Collot, 1999



# Ecuador – revealing exploration opportunity



**Chilean porphyries - high and dry. Easily visible from space!**

*Escondida from the air*



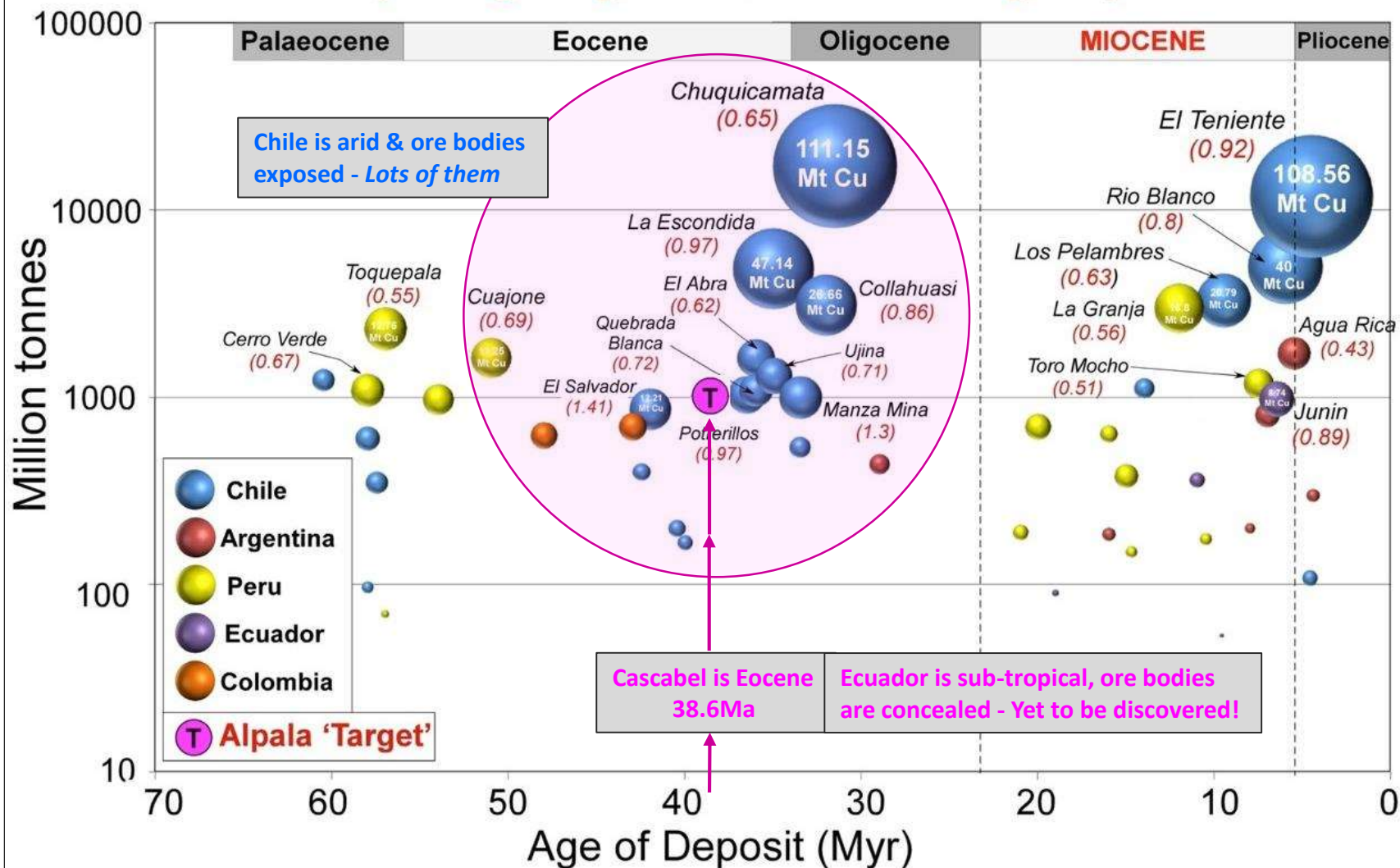
**In Ecuador they are covered in jungle and cloud. We can now see through cloud, jungle and soil using state of the art geophysics**

*Looking over Alpala Camp, Cascabel*



# Ecuador – The porphyry belts should now yield more large copper deposits like they do in Chile

## Age Dated South American Porphyry Deposits (Tonnage / Age / Contained Cu / Cu grade)





# Mining friendly Ecuador

- ❖ Politically Stable
- ❖ Benefited from a GDP previously strongly supported by oil revenues
  - ✓ Falling poverty, increasing GDP per capita
  - ✓ Public investment 15% of GDP – triple the Latin American average
  - ✓ Outstanding infrastructure
- ❖ Oil reserves decline coupled with falling oil prices – perfect time to focus on the mining industry
- ❖ Significant improvements to mining law through tax reform and incentives
  - Improved capital depreciation rules
  - Early year tax shields/deferrals
  - Import duty exemptions on equipment
  - VAT recovery allowed
  - Windfall tax improvements
    - Only paid after full return of capital
    - Applies only to very high commodity prices – US\$1,500/oz Au and US\$4.00/lb Cu
  - Recent Investment Protection Agreement with Lundin Gold



**Rafael Correa – President**  
(popular, pro-mining)



**Javier Córdova -  
Minister of Mines**





# Visionary mining investors turn to Ecuador

## Fruta del Norte

Image: Lundin Gold Inc.

- **Lundin Mining created Lundin Gold to acquire Fruta Del Norte gold deposit for US\$240M**
- **One of the largest and richest gold mines in the world (7.3 Moz, 23.8 Mt @ 9.61 g/t Au)**
- **MOU now signed / Construction underway**
- **Capital payback in 4.5 years including tax**
- **Strong endorsement for Ecuador**

Codelco, the world's largest copper producer entering a joint venture with Ecuador's state mining company Enami EP to explore an estimated US\$200 billion of untapped copper reserves at the Llurimagua deposit, 70km South of Cascabel

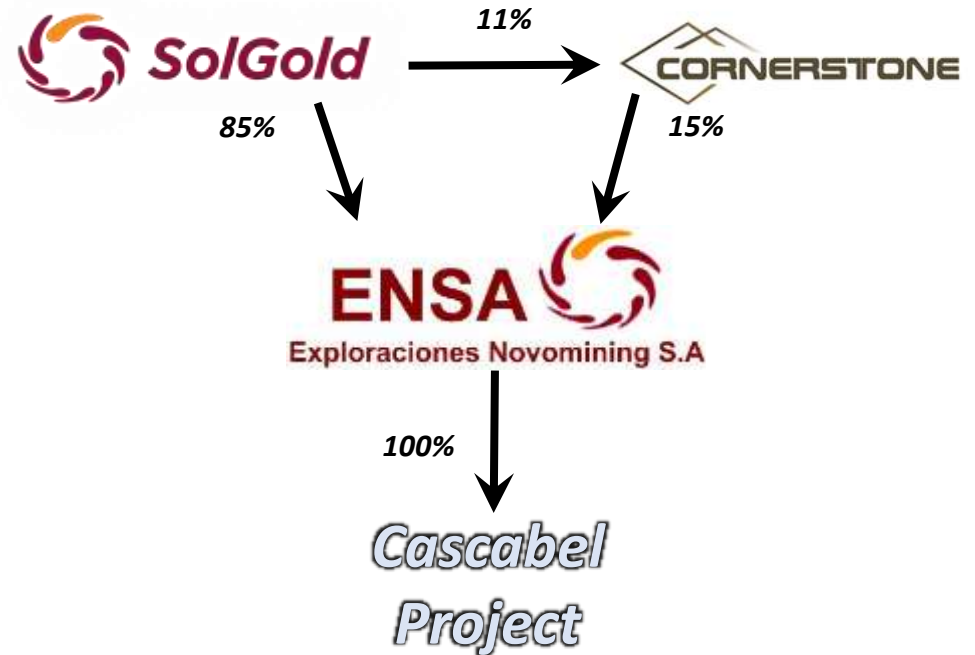


# Capital structure

Capital Structure – 2 February 2017  
 UK AIM listed (LSE:SOLG)  
 32p

Shares on issue	1,429,966,661
Options	48,051,768
Fully-Diluted	1,478,018,429
Undiluted Market Capitalization	GBP457M
Cash post Capital Raise (October 2016)	USD43.5M
Top Shareholders	
DGR Global	14.50%
Tenstar	10.13%
Newcrest International	10.00%
Guyana Goldfields	7.22%
Samuel Group (Nicholas Mather)	6.25%

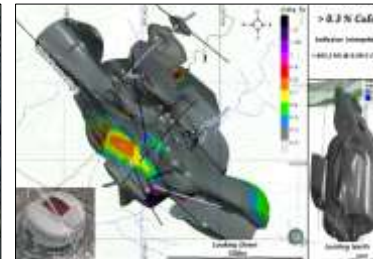
## Cascabel Ownership Structure



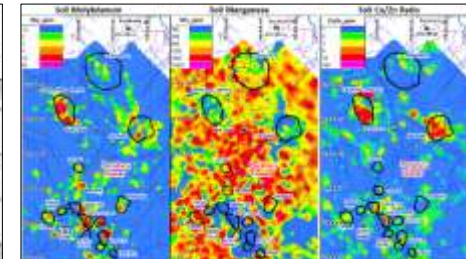
**Rich**



**Large**



**Multiple Targets**





# Endorsements by Tier-1 Miners



- Guyana Goldfields owns 7.22% of SolGold
- Scott Caldwell, President and CEO of Guyana Goldfields added to SolGold's Board
- Adds considerable technical and mine building expertise



- Leading copper-gold developer and miner
- 10% ownership in SolGold
- Anti-dilution and top-up rights
- Follows 60% supported independent recommendations in a takeover
- Provides valuable technical advice

Both invested at considerable premiums to prevailing share price; significant endorsement for Cascabel from credible third parties



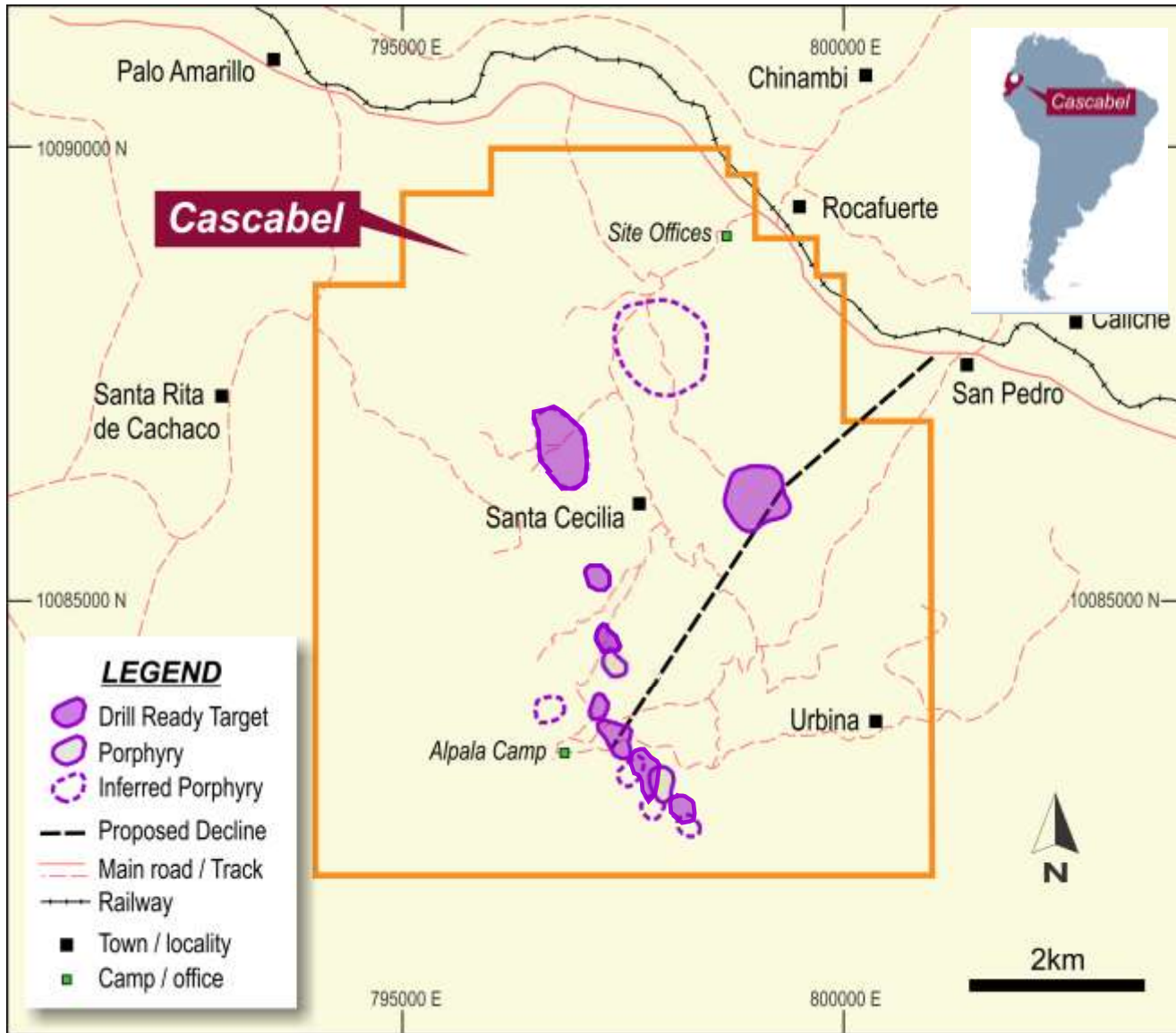
# Ecuador's gift is Cascabel's advantage

- 180km from a deep water ports at Esmeraldas, 100km San Lorenzo
- Hydro Power nearby
- Local workforce
- Excellent sealed, multi lane roads
- Water
- 3 hour drive from Quito
- Elevation 600 – 1,800m





# Cascabel is a Tier 1 copper-gold discovery



## *Cascabel is*

- Big
- Rich in gold and copper
- Diverse targets
- Accessible
- Logistic advantages
- Enjoys government support
- Local Ecuadorian staff and stakeholders

## *SolGold is*

- Cashed up – US\$43M
- Active – 3 Rigs
- Endorsed by; Newcrest, Guyana Goldfields, BHP Billiton
- Value investors – Maxit Capital
- Passionate and invested management
- Acclaimed and accomplished geoscientists



# Experienced team of operators and experts



**Nick Mather**  
Executive Director  
£5.5M invested  
Plus £6.9M equity and debt  
in DGR



**Jason Ward**  
Country Manager  
"easiest he's worked on"



**Dr Steve Garwin**  
Copper-Gold Specialist  
Porphyry Advisor  
Ex Newmont  
Batu Hijau expert



**Benn Whistler**  
Tech Services Manager  
A Focus on detail

## Accomplished Ecuadorian Geology team

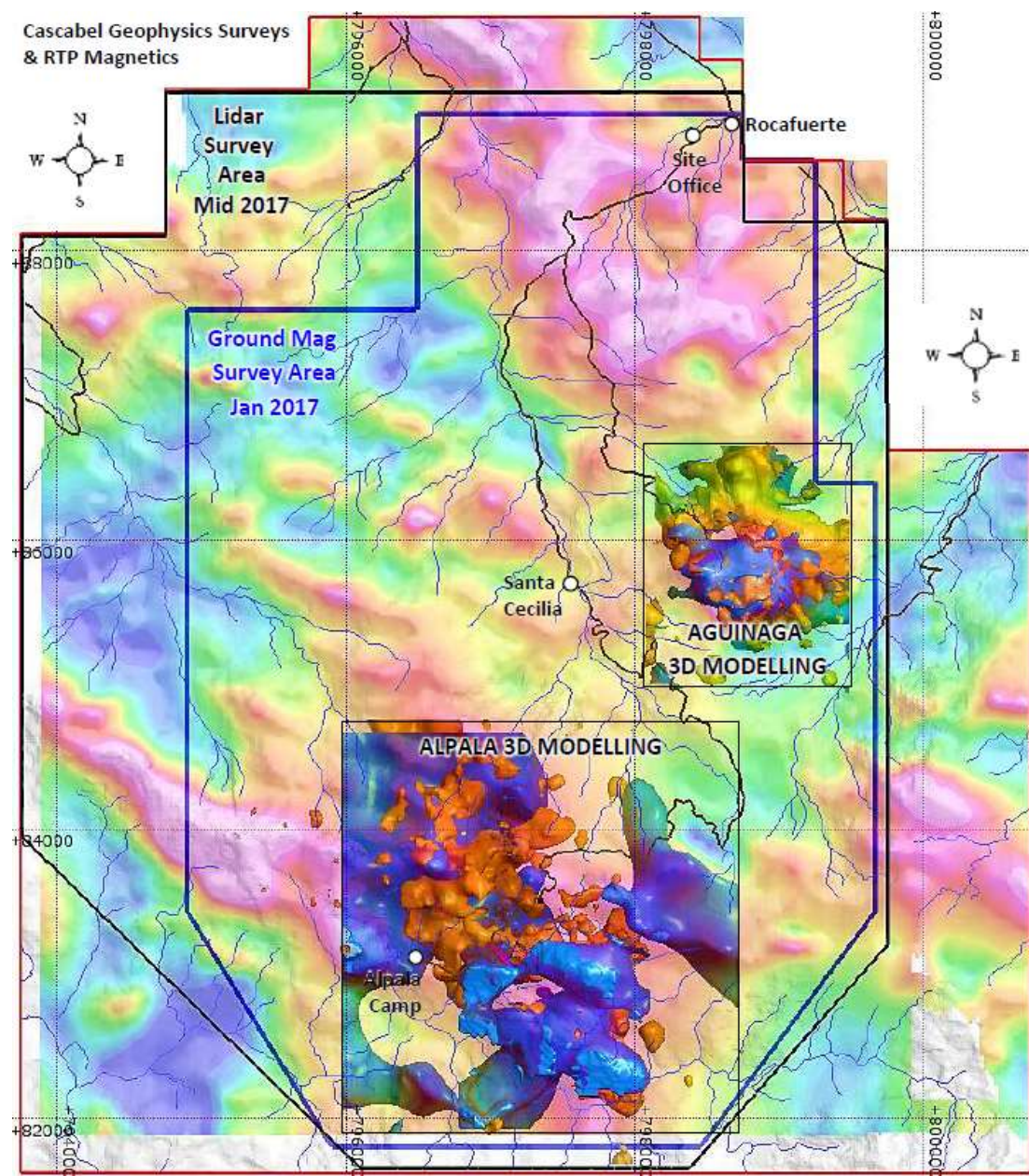
### Technical Depth

- Geology Office
- Core Handling & Storage
- Community Relations
- HSE
- A Track Record of Discovery and Delivery of Shareholder Value





# State of the Art Geophysics



- **Magnetics survey over 50 sq.km**
- **3D MVI Magnetic Modelling**
- **IP Survey over 30 sq.km**
- **3D DCIP Modelling**
- **Ground magnetics in progress**
- **Lidar survey mid 2017**

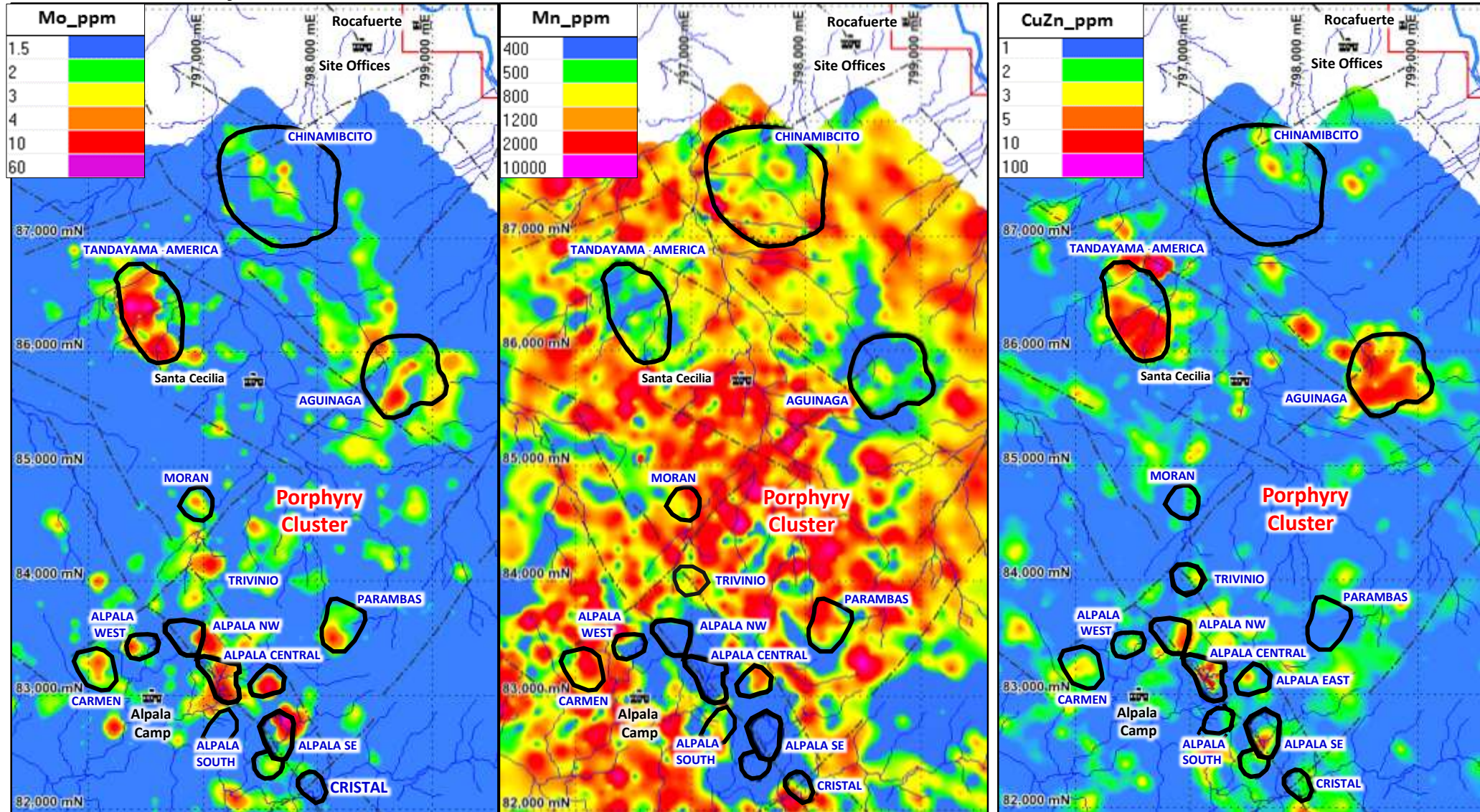


# Coincident Geochemical signatures in soils

## Soil Molybdenum

## Soil Manganese

## Soil Cu/Zn Ratio

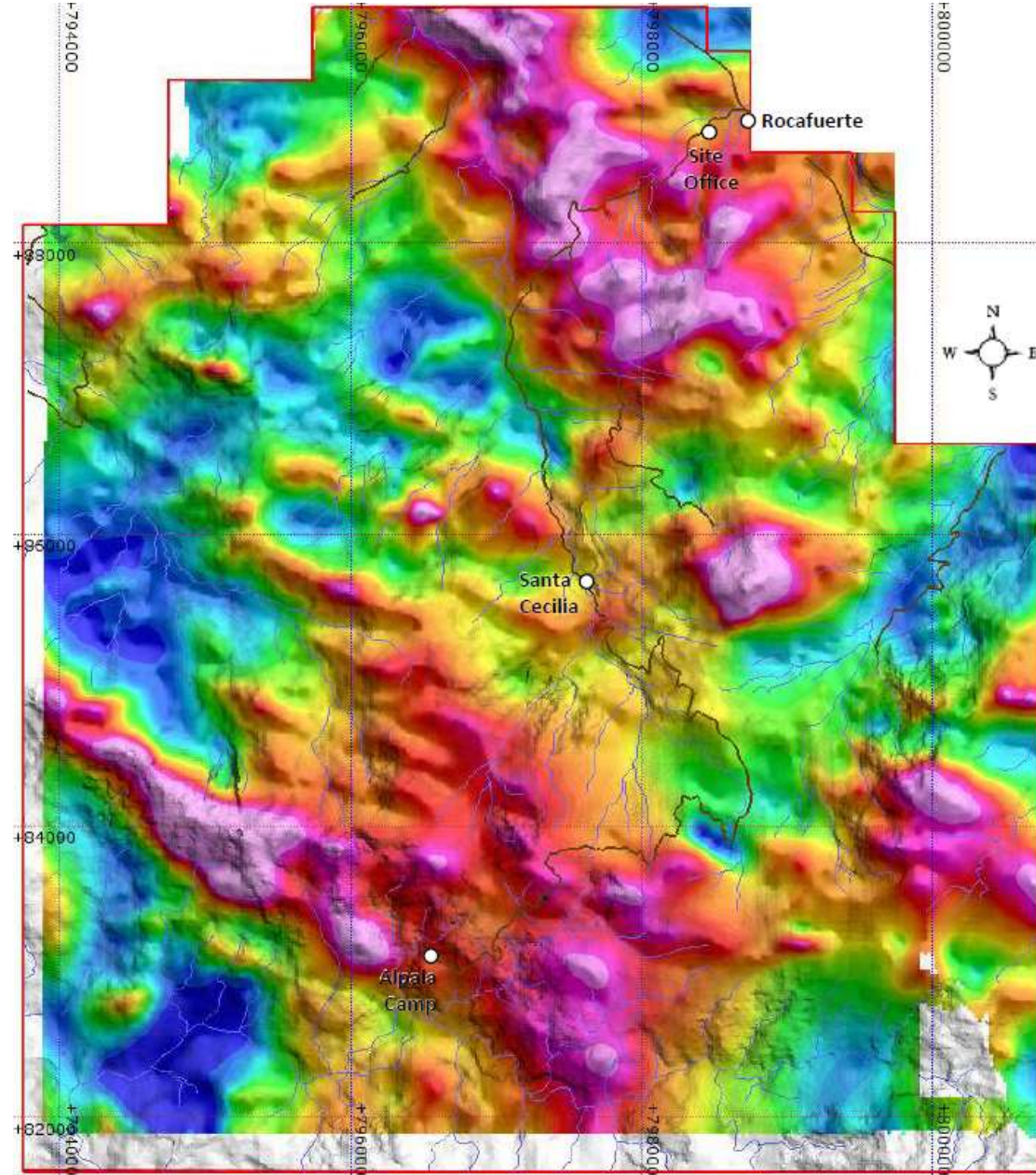






# Defining Porphyry Centres – Multiple Datasets

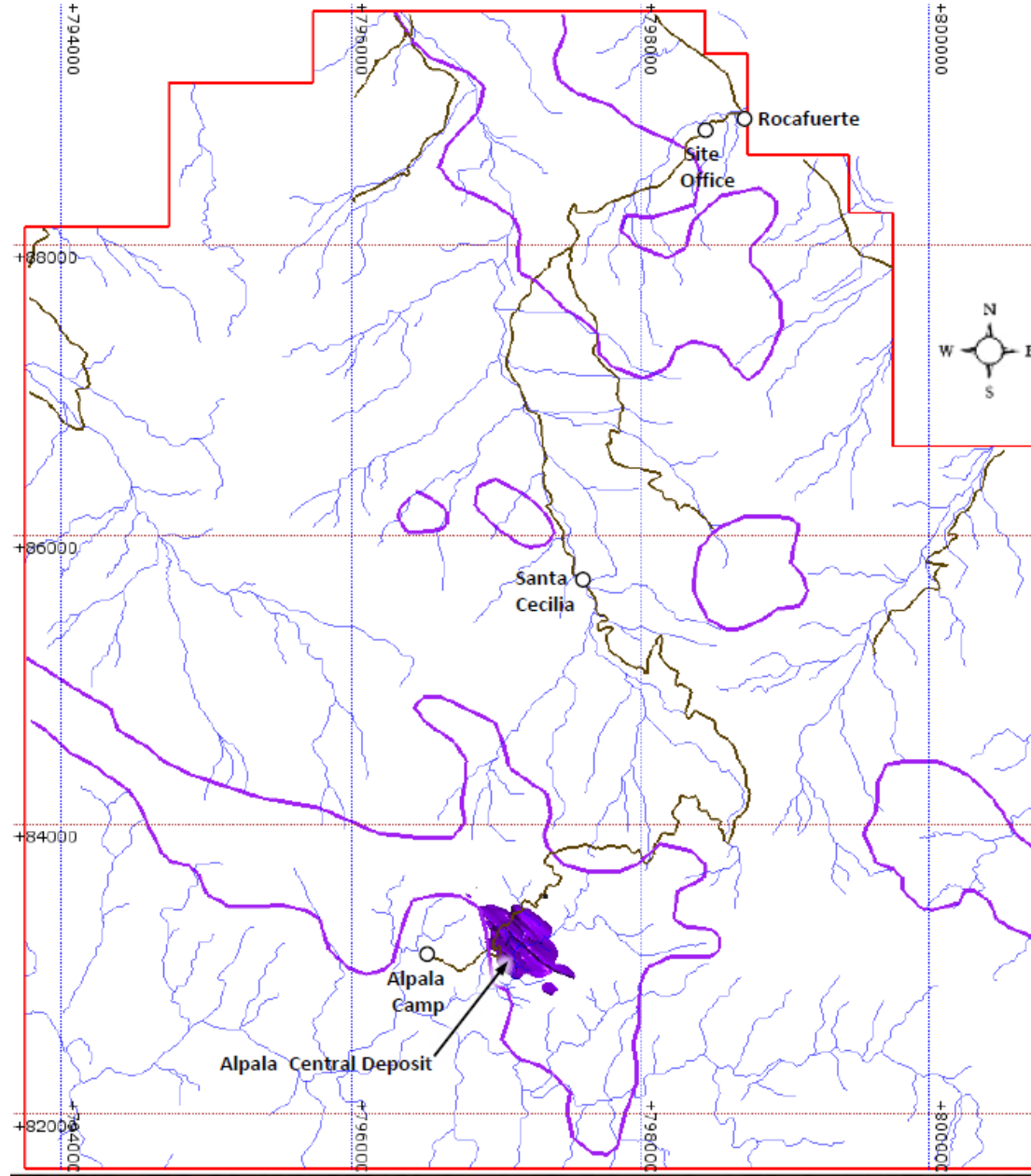
RTP Magnetic Highs





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RTP Magnetic Highs

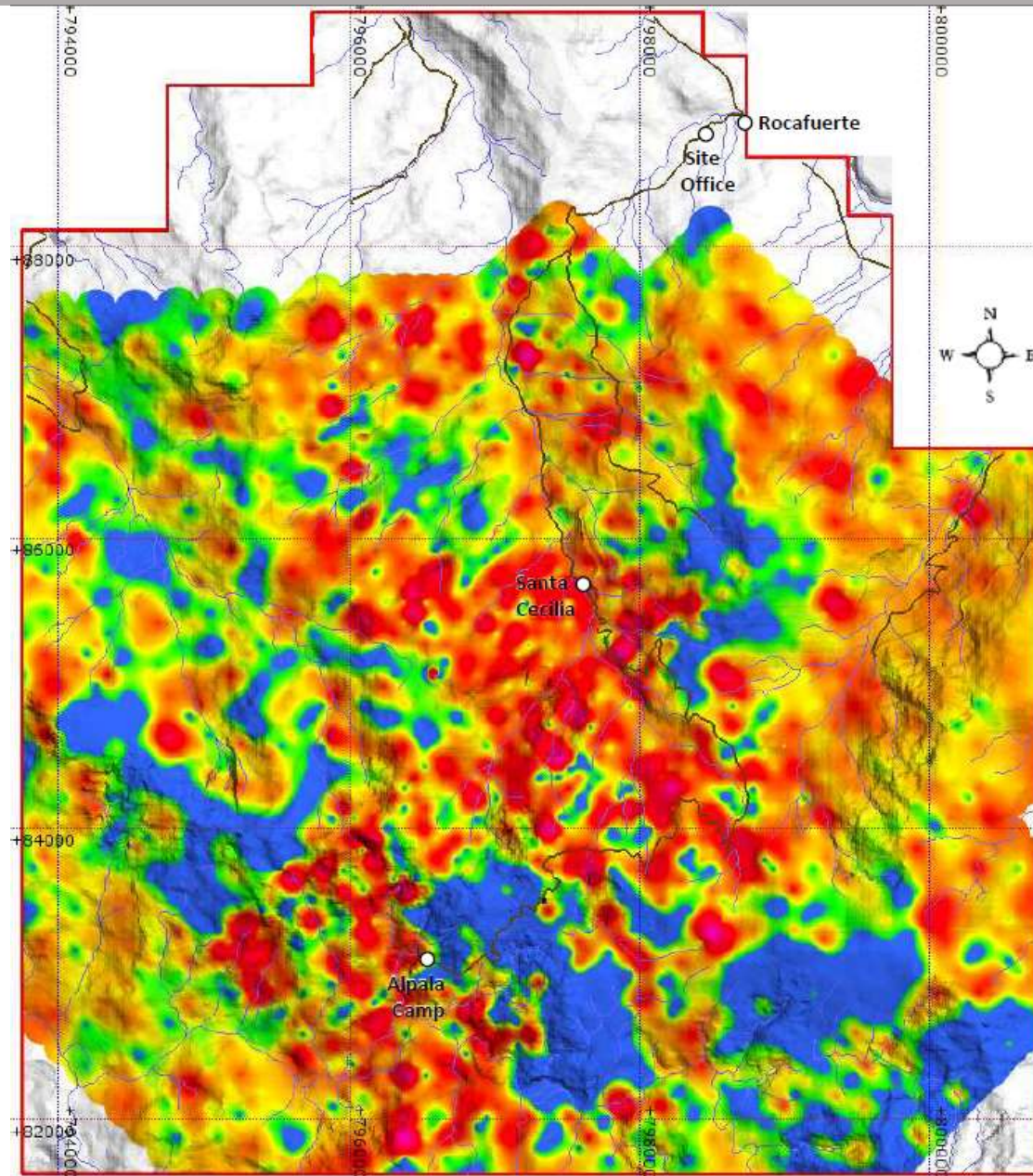




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RTP Magnetic Highs

Manganese Lows

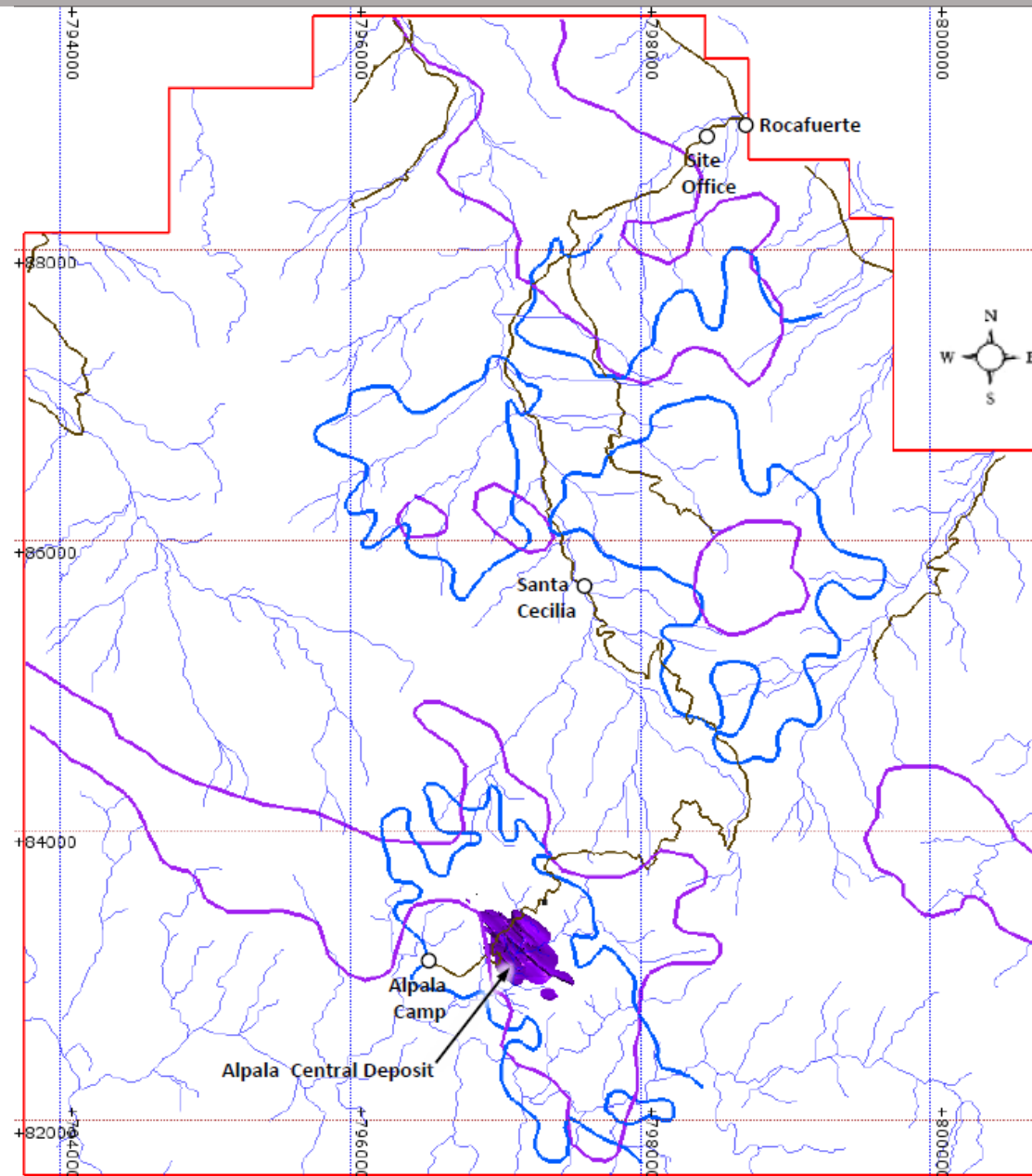




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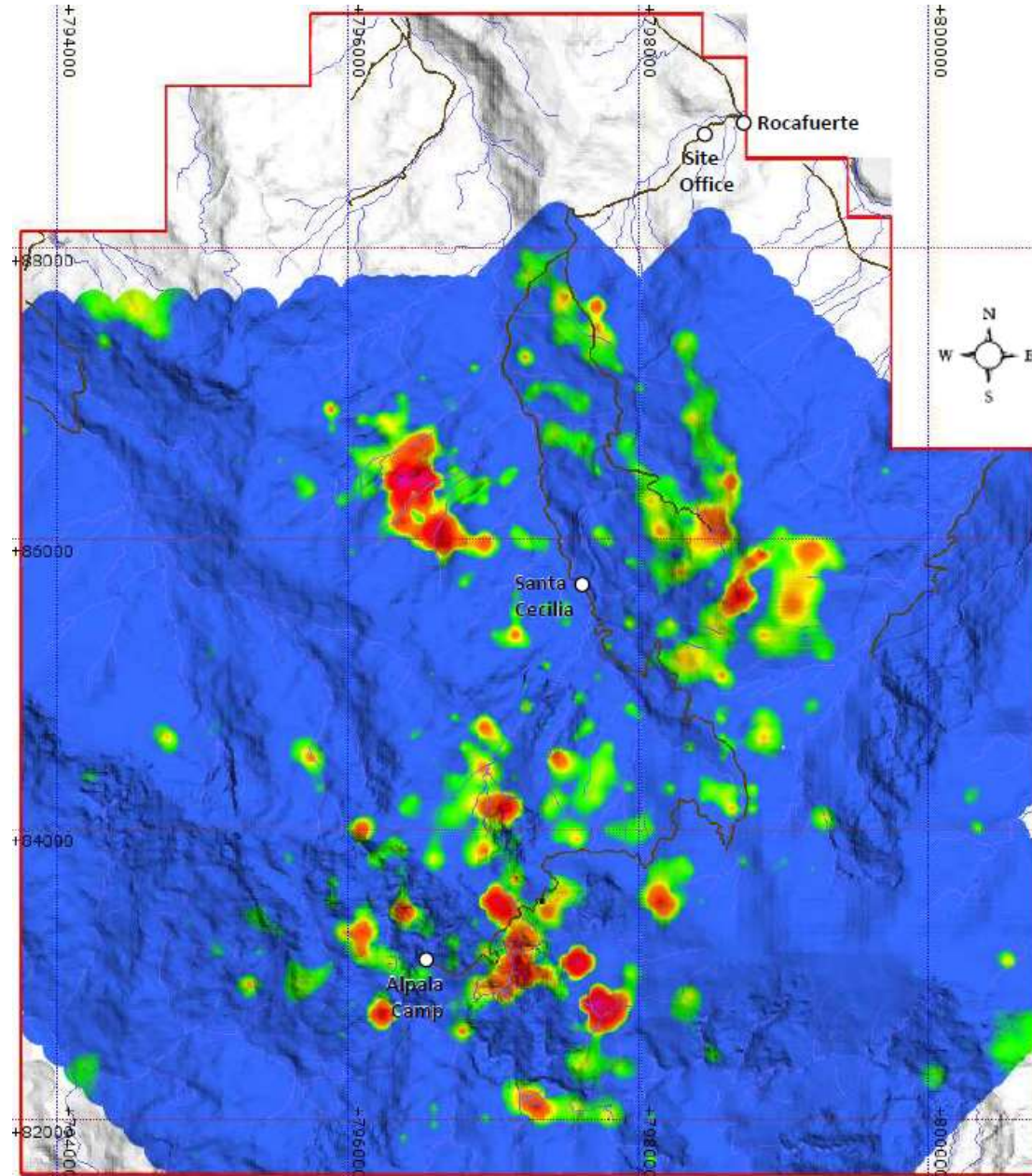


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Molybdenum Highs



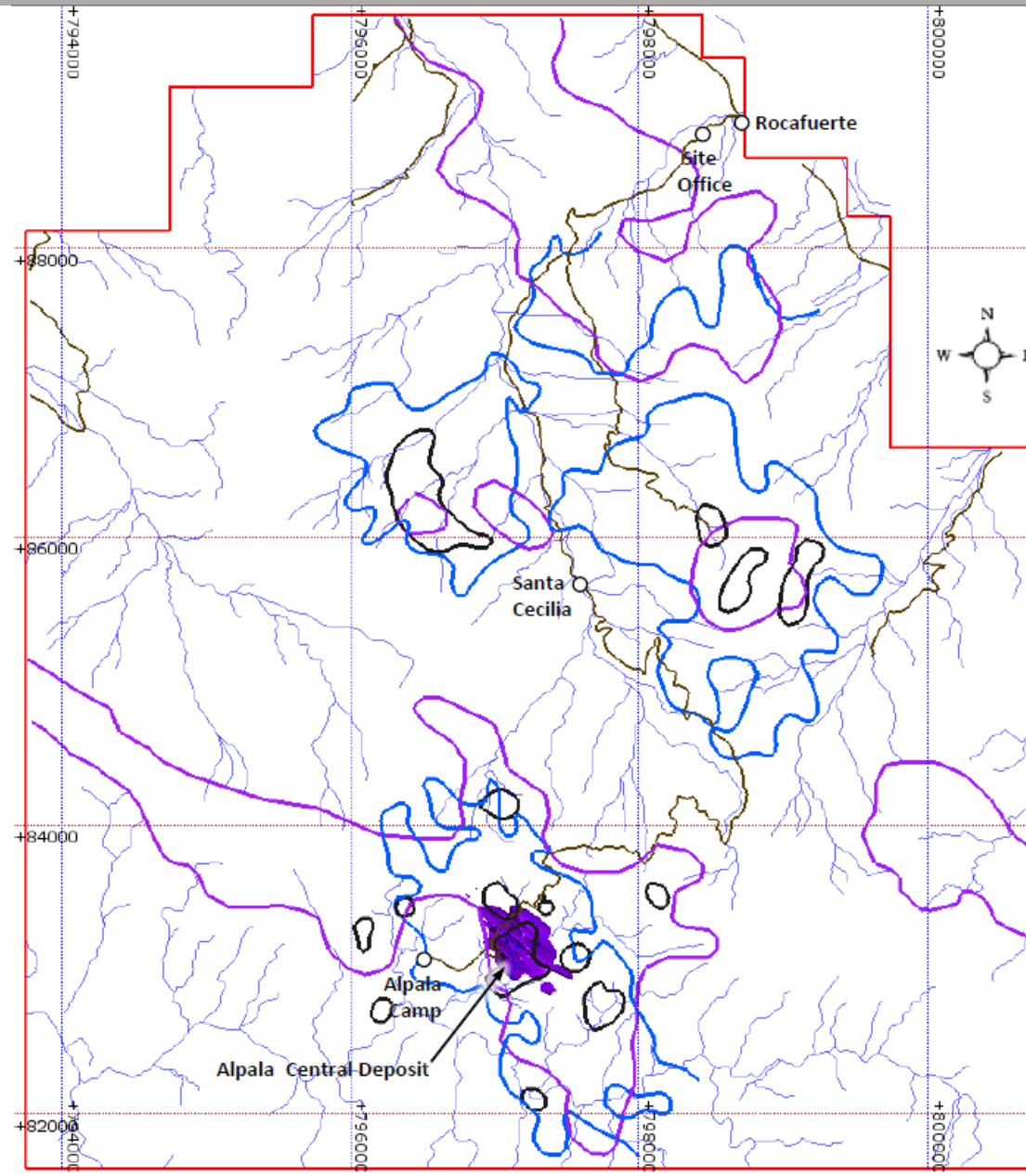


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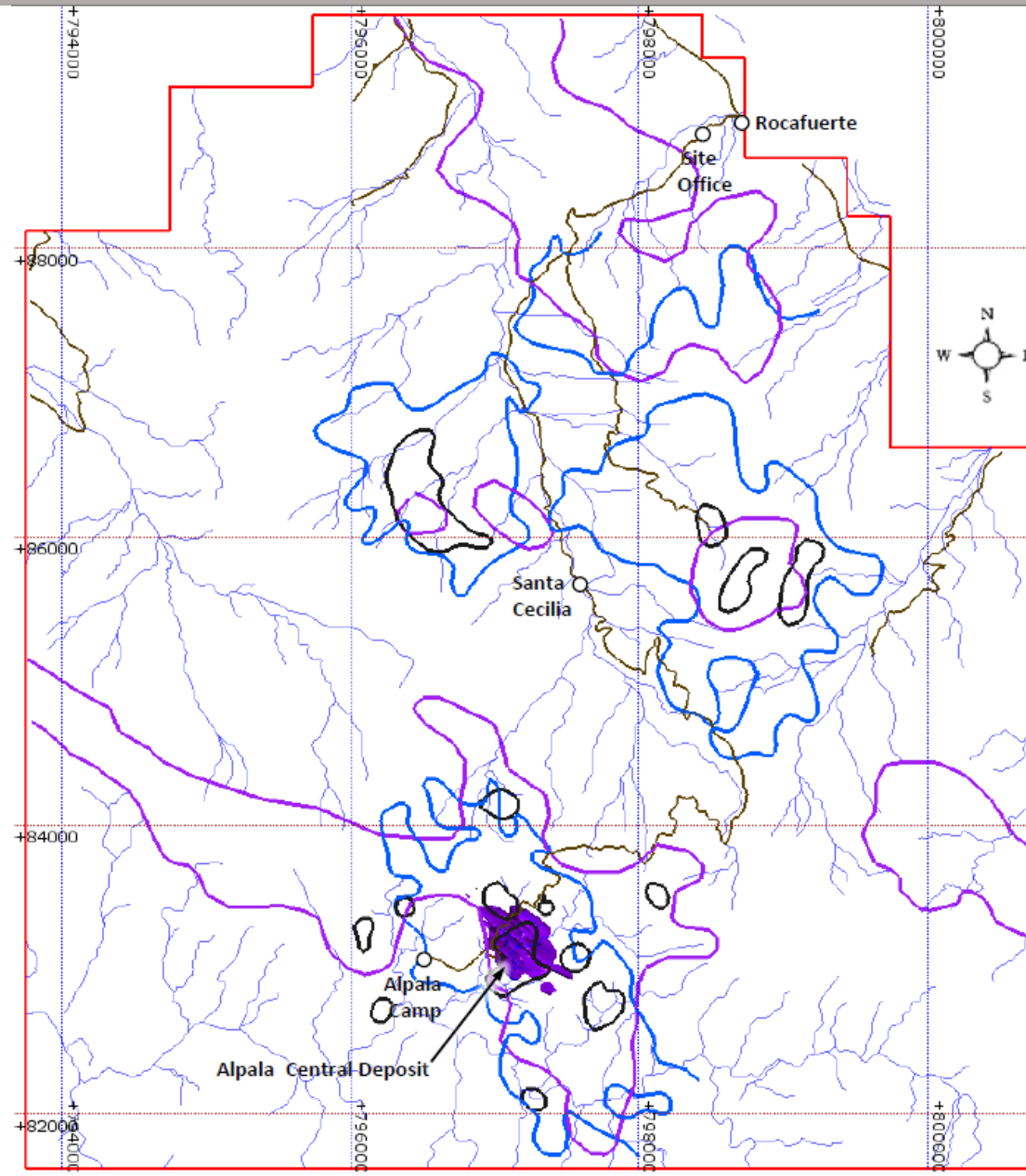


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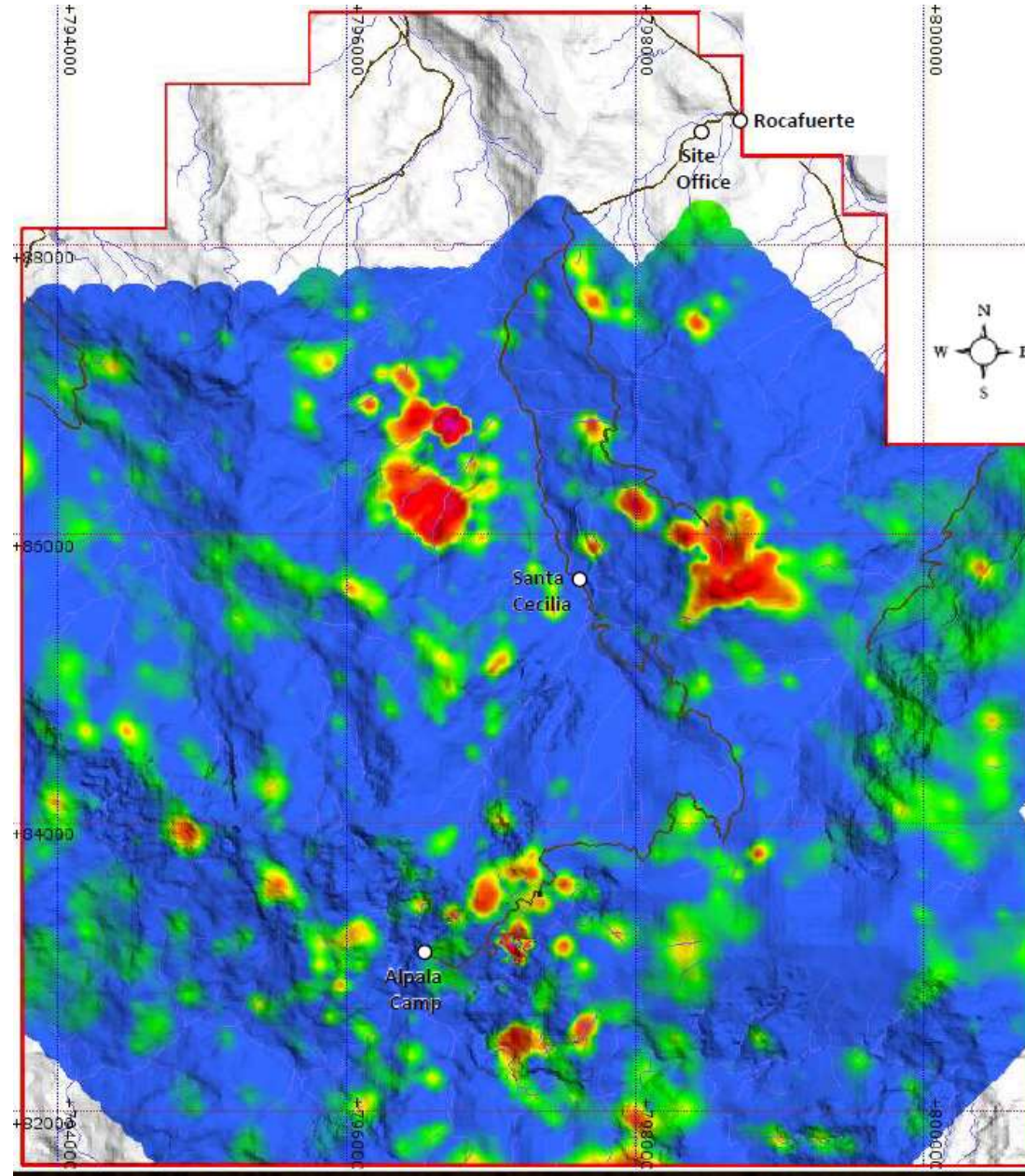
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Molybdenum Highs

Cu/Zn Ratio Highs







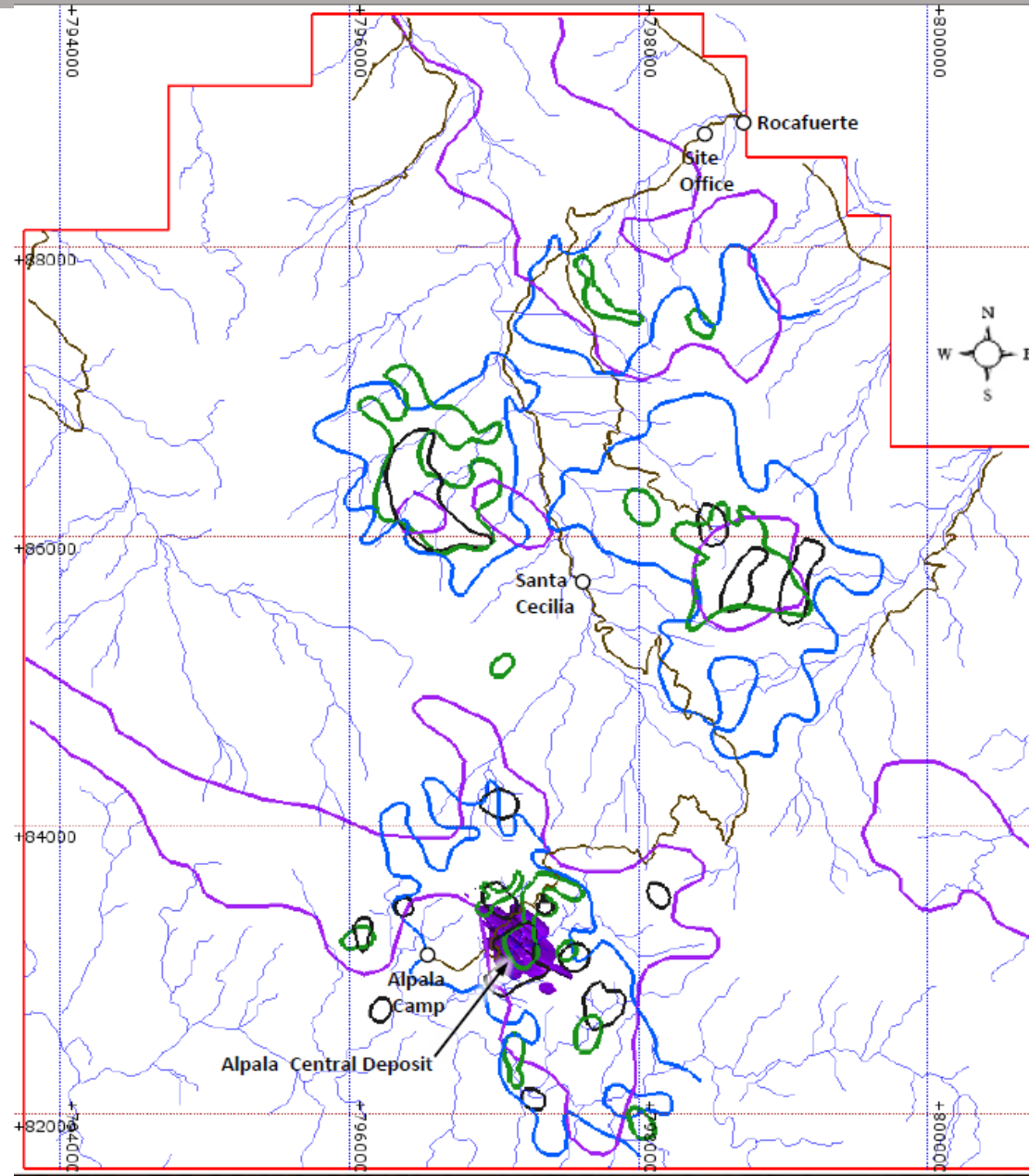
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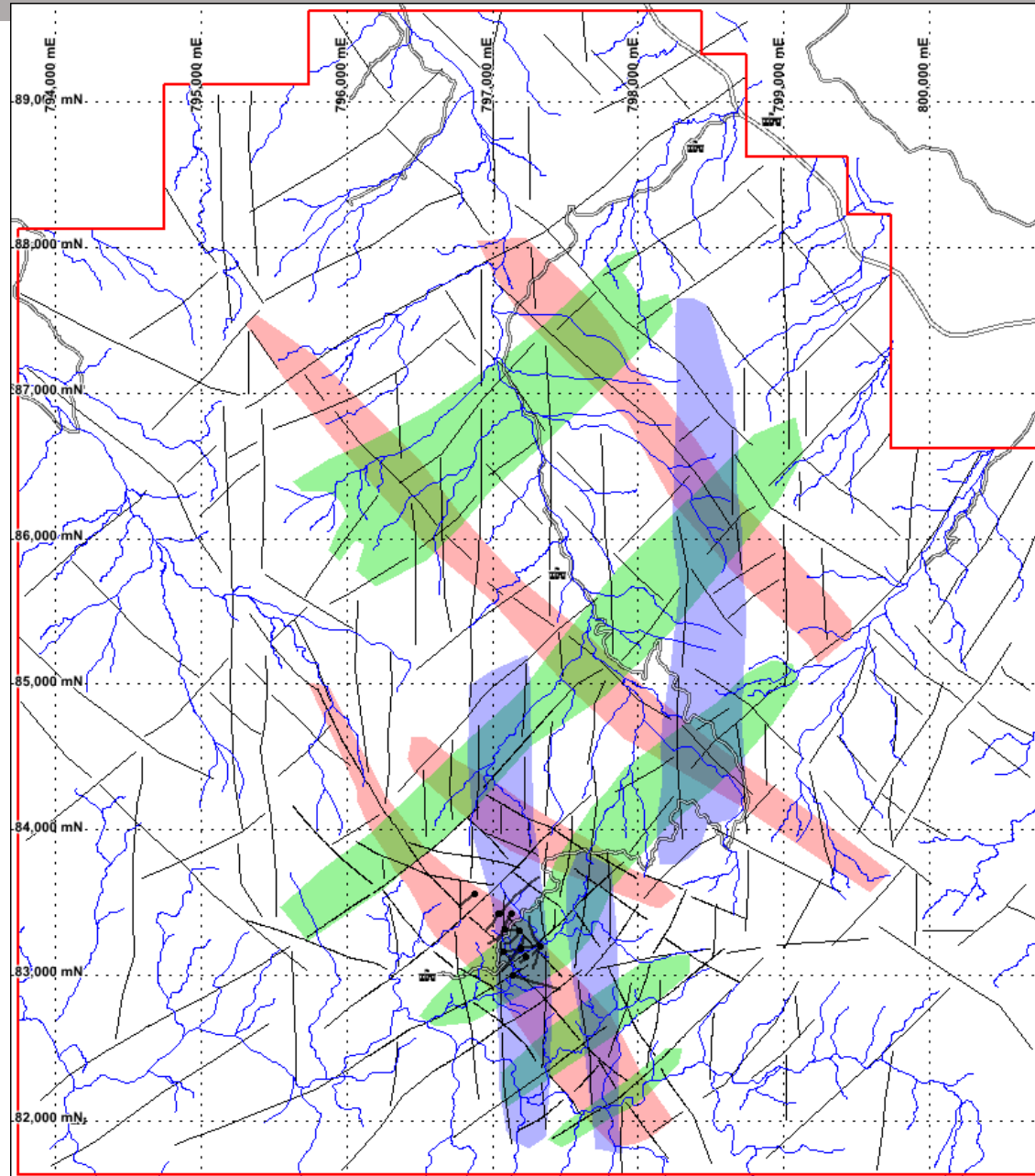
Molybdenum Highs

Cu/Zn Ratio Highs

Mineralised Corridor  
Structural Intersections

– compiled from;

1. Magnetics Structures
2. Topo structures
3. Electrical survey structures
4. Mapped sulphides & Bveins
5. Soil Mo and Cu/Zn geochemistry





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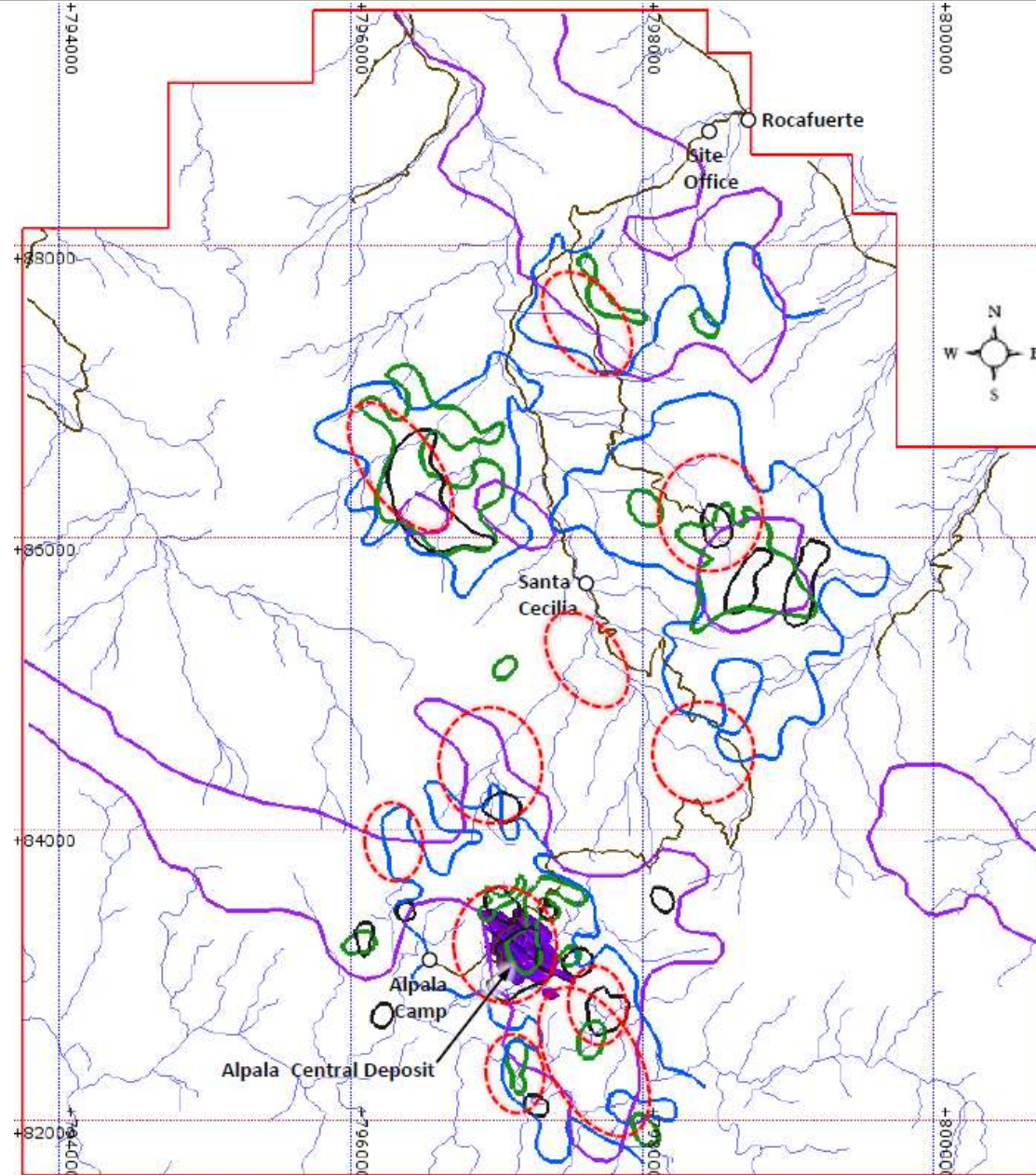
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**Mineralised Corridor**  
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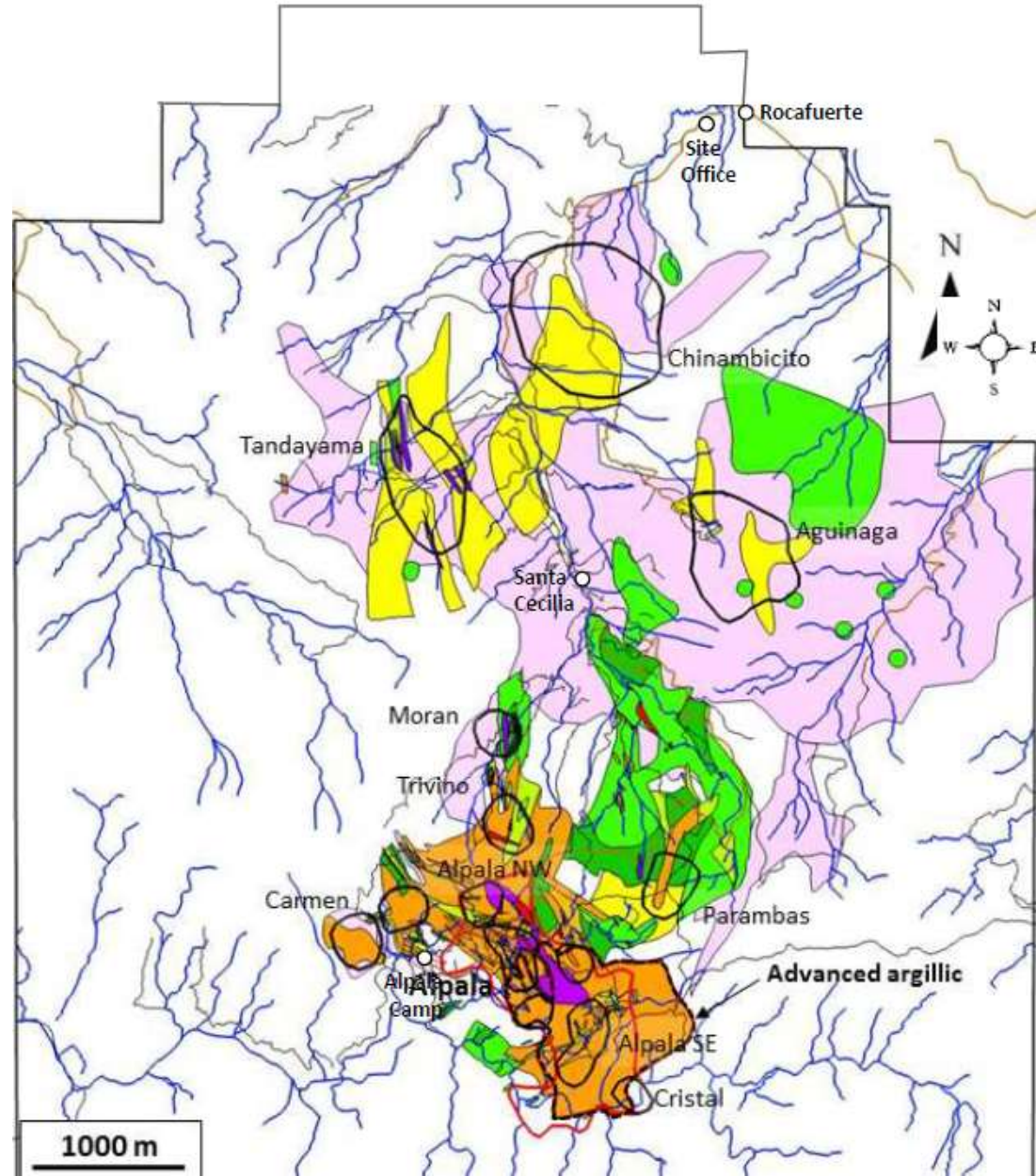
**Cu/Zn Ratio Highs**

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**Advanced Argillic Alteration**

- compiled from;
1. Geological Mapping
  2. Spectral mapping (soil/auger chips)





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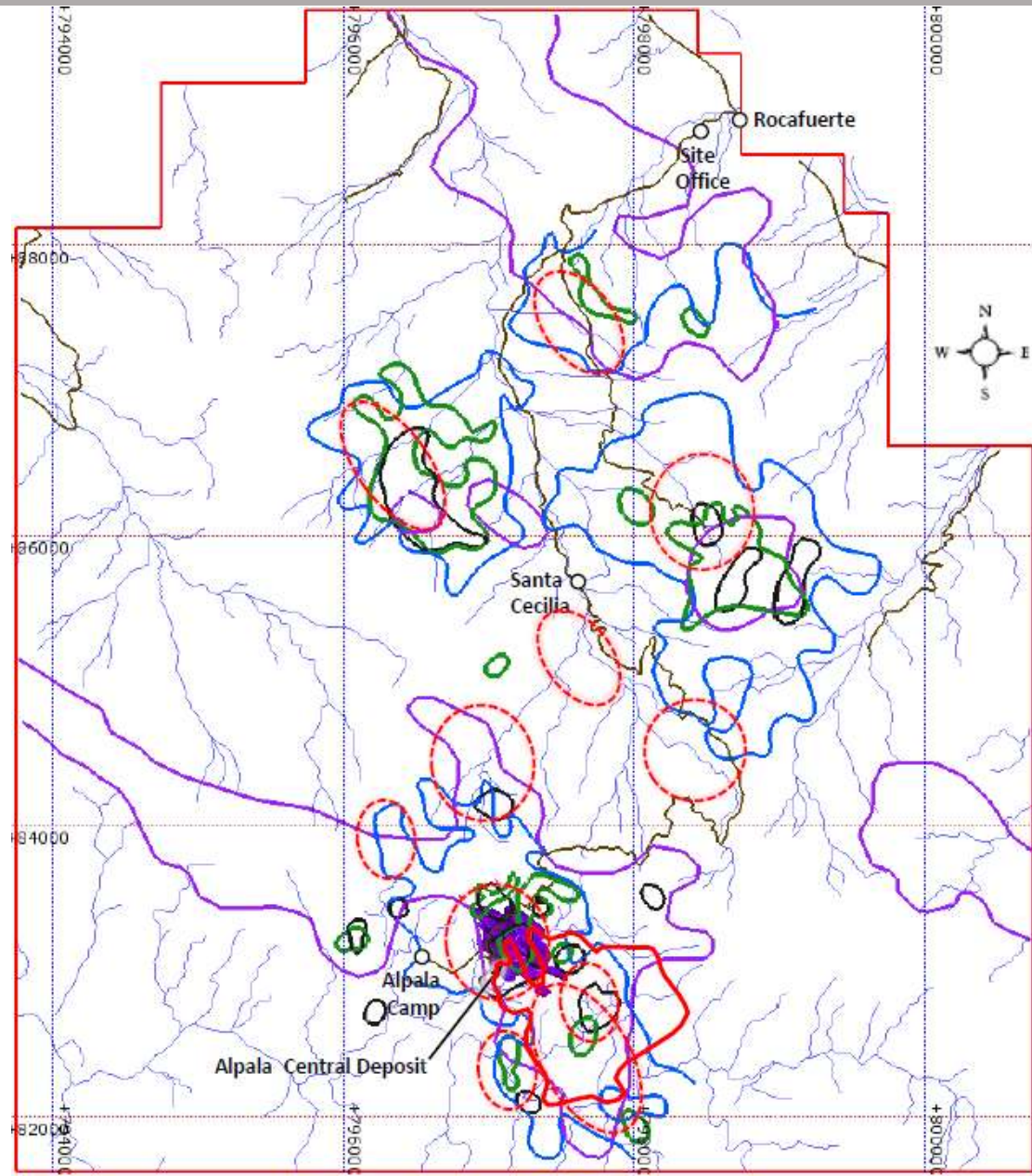
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# A Cluster of Porphyry Targets

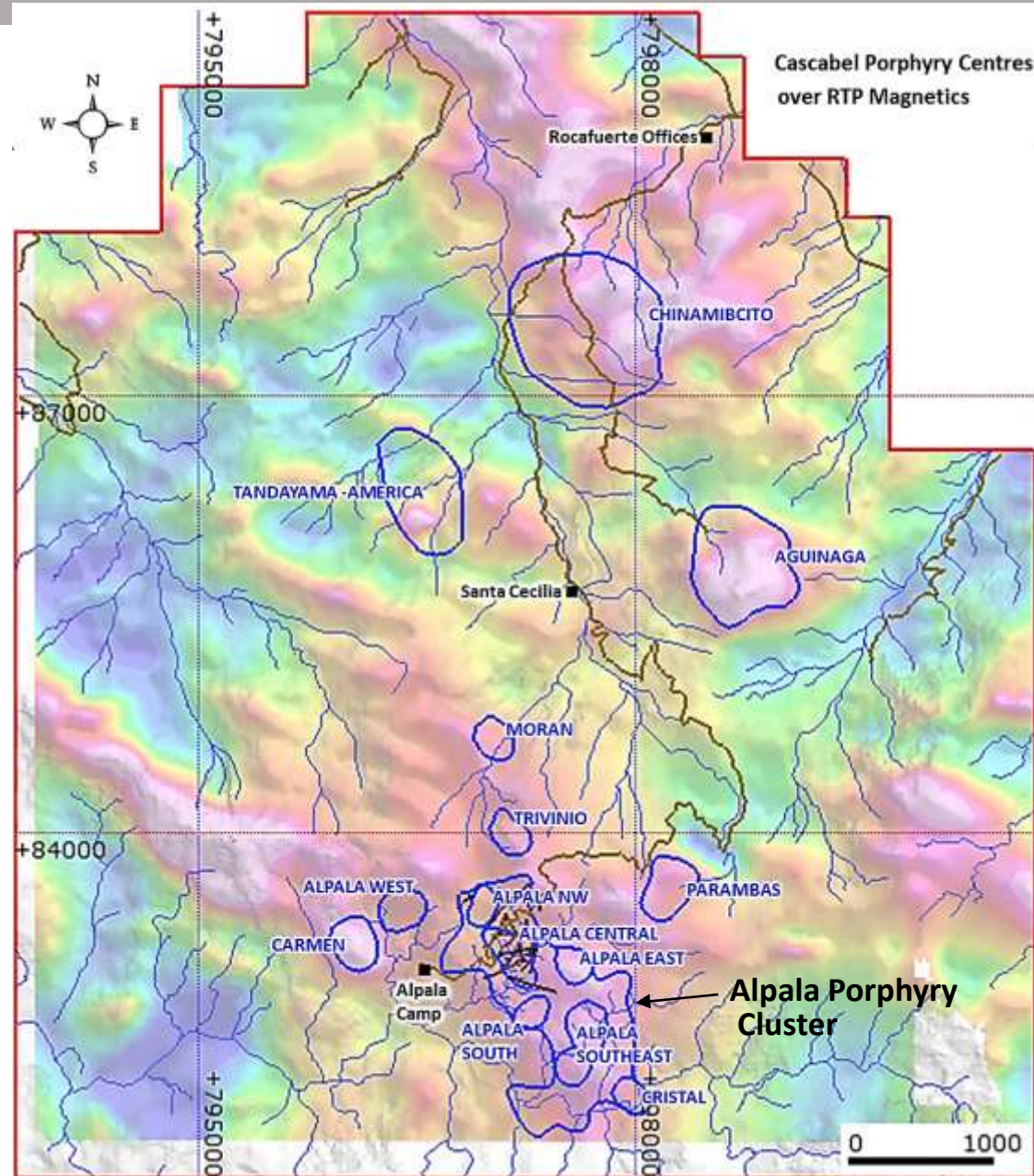
## ● State of the Art Geophysics

- Magnetics survey over 50 sq.km  
3D MVI Magnetic Modelling
- IP Survey over 30 sq.km  
3D DCIP Modelling
- Ground magnetics in progress

**14** porphyry centres identified:

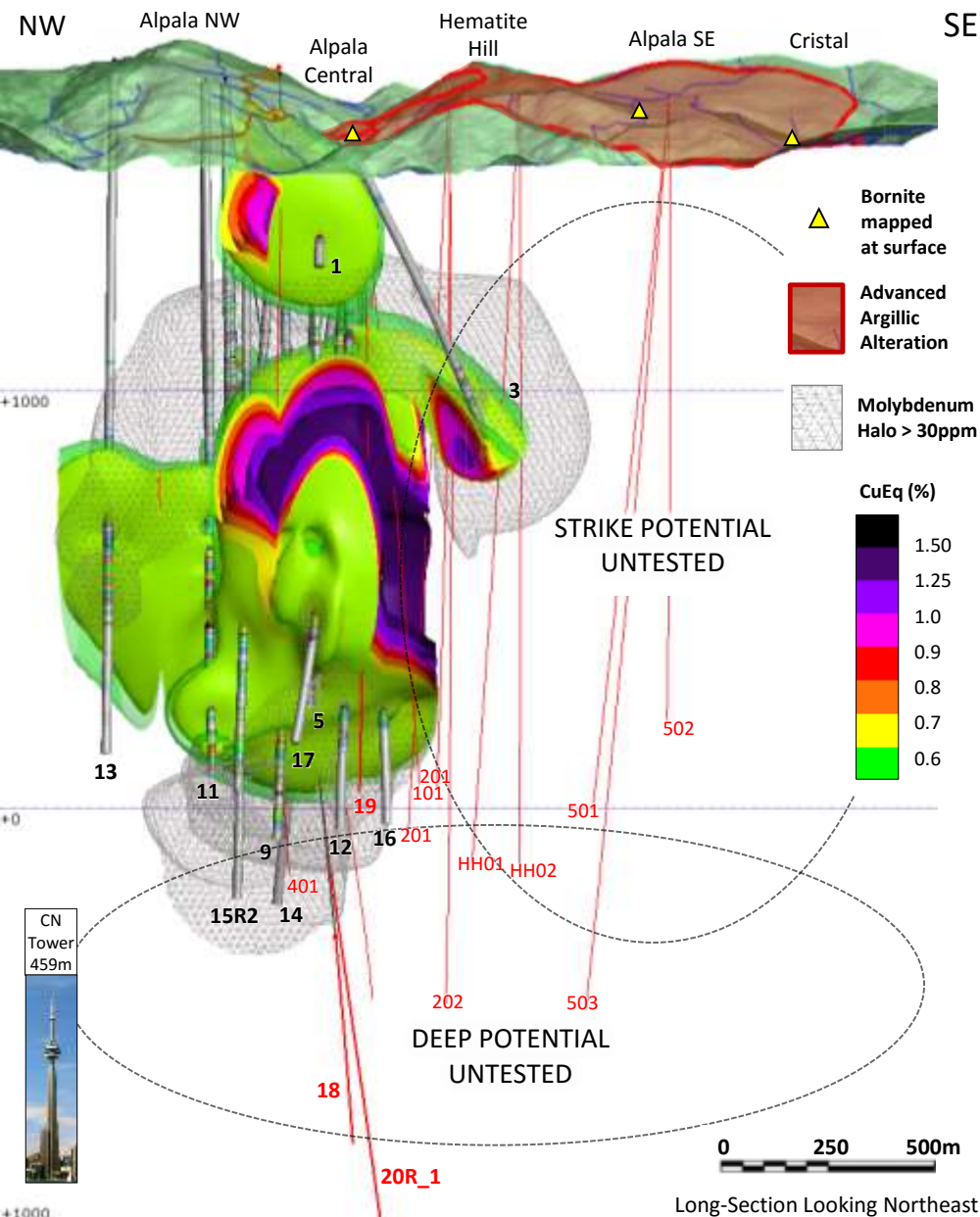
**8** high priority drill targets :

- |                    |                     |
|--------------------|---------------------|
| ○ Alpala Central   | ○ Trivinio          |
| ○ Alpala Southeast | ○ Moran             |
| ○ Alpala East      | ○ Aguinaga          |
| ○ Cristal          | ○ Tandayama-America |





# Priority Targets at the growing Alpala Deposit



- Holes 18 and 19 Intersecting Visible Copper Mineralisation
- Hole 20\_R intersecting visible mineralisation from 905m
- Rig 1 testing shallow up trend extensions
- Rig 2 moving to Hematite Hill to test southeast extensions
- Rig 3 continues towards the deepest richest portion of the Alpala Deposit, some 600m below known mineralisation.
- Rigs 4 being mobilised to Alpala Central
- Rig 5 being mobilised to Alpala Southeast



# World leaders in man-portable drilling



**Ecuadorean Drilling  
company – HP Hubbard  
Perforaciones SA**



***Man-portable Hydracore 2000 – modified for drilling to 1,970m @ 30m /day***





# New access road improves logistics at Cascabel

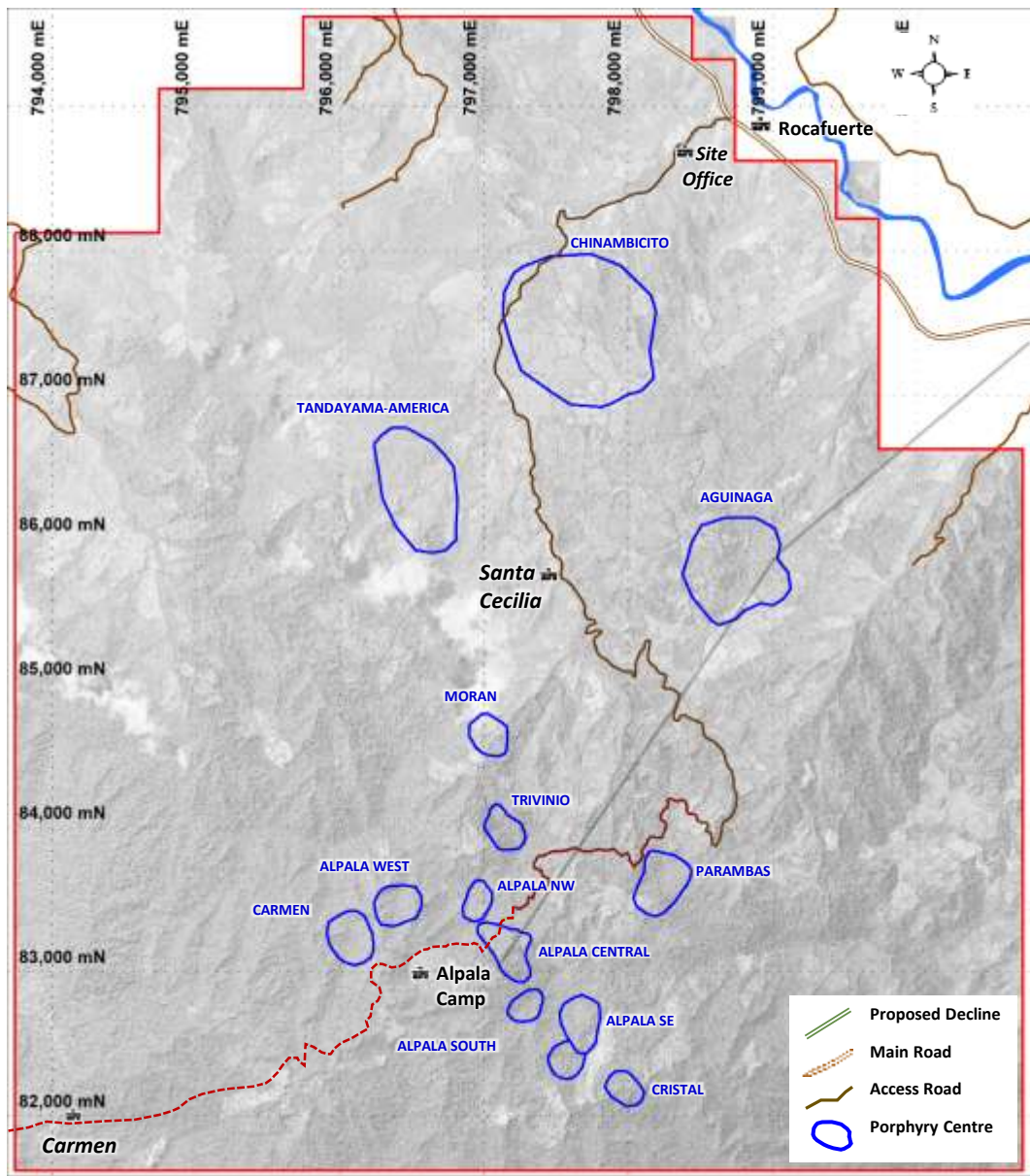
*Local community, Provincial Government & SolGold co-operate to build new access road from Santa Cecilia Village to Carmen Village, via Alpala*

**For SolGold it means:**

- **Faster access**
- **Improved safety**
- **More drill rigs**
- **Deeper - 2,800m**
- **Faster**
- **More freight in and out**

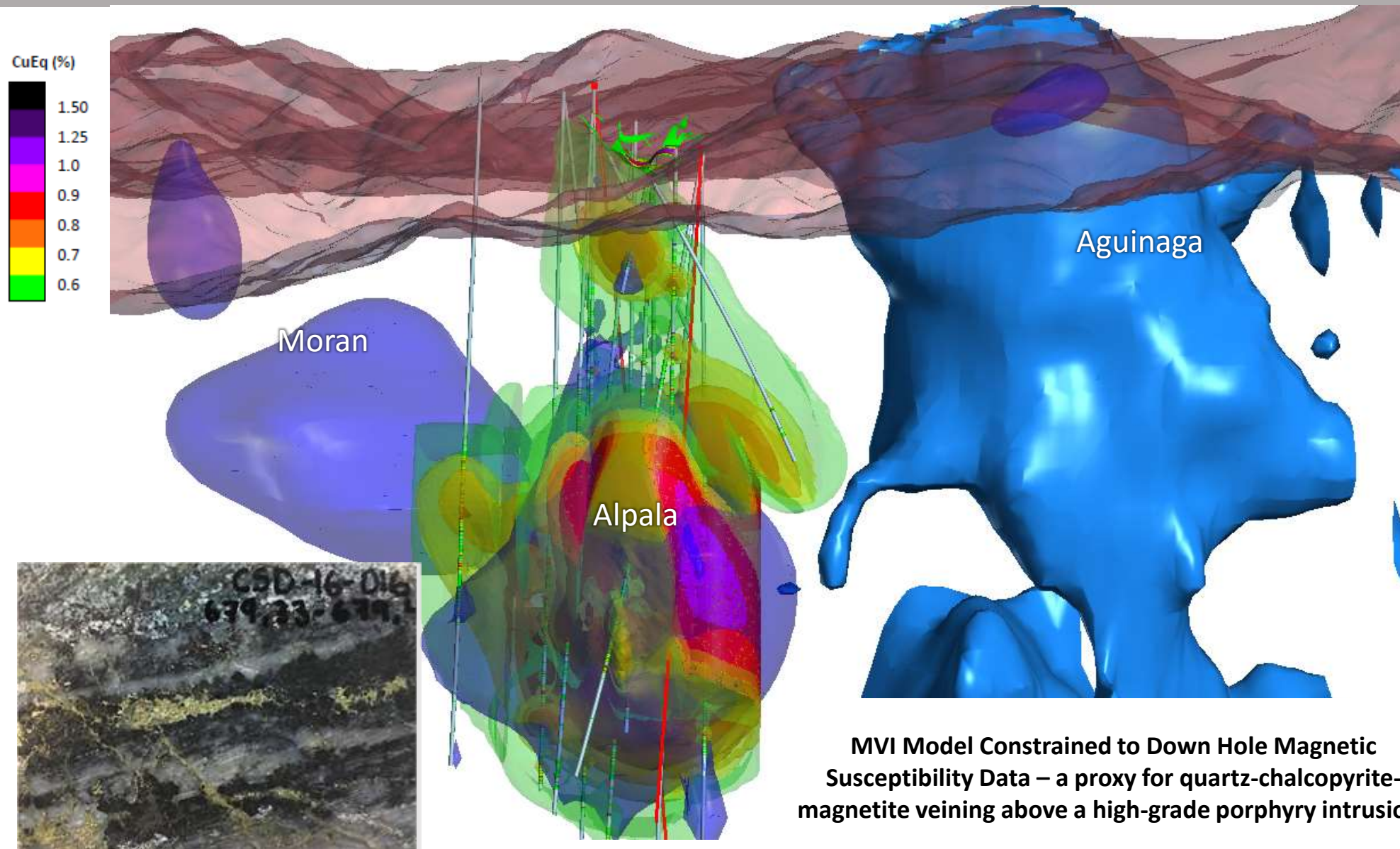


**Full access to Alpala via the new road built by the provincial government**





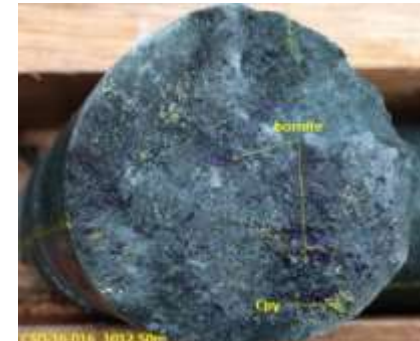
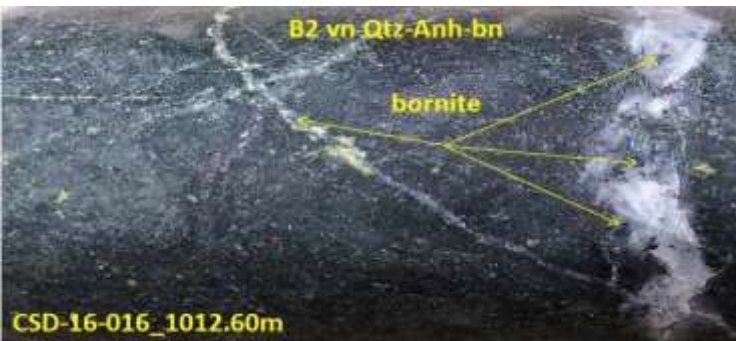
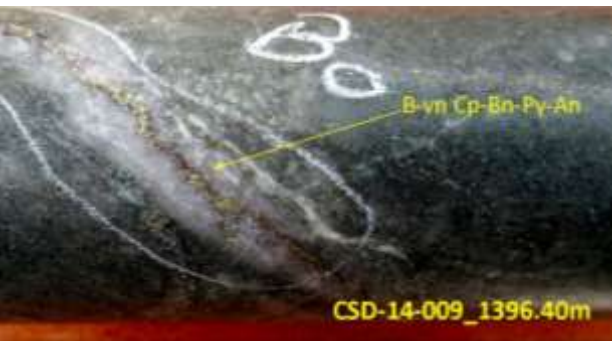
# Cascabel combined target continues to grow



**MVI Model Constrained to Down Hole Magnetic Susceptibility Data – a proxy for quartz-chalcopyrite-magnetite veining above a high-grade porphyry intrusion!**

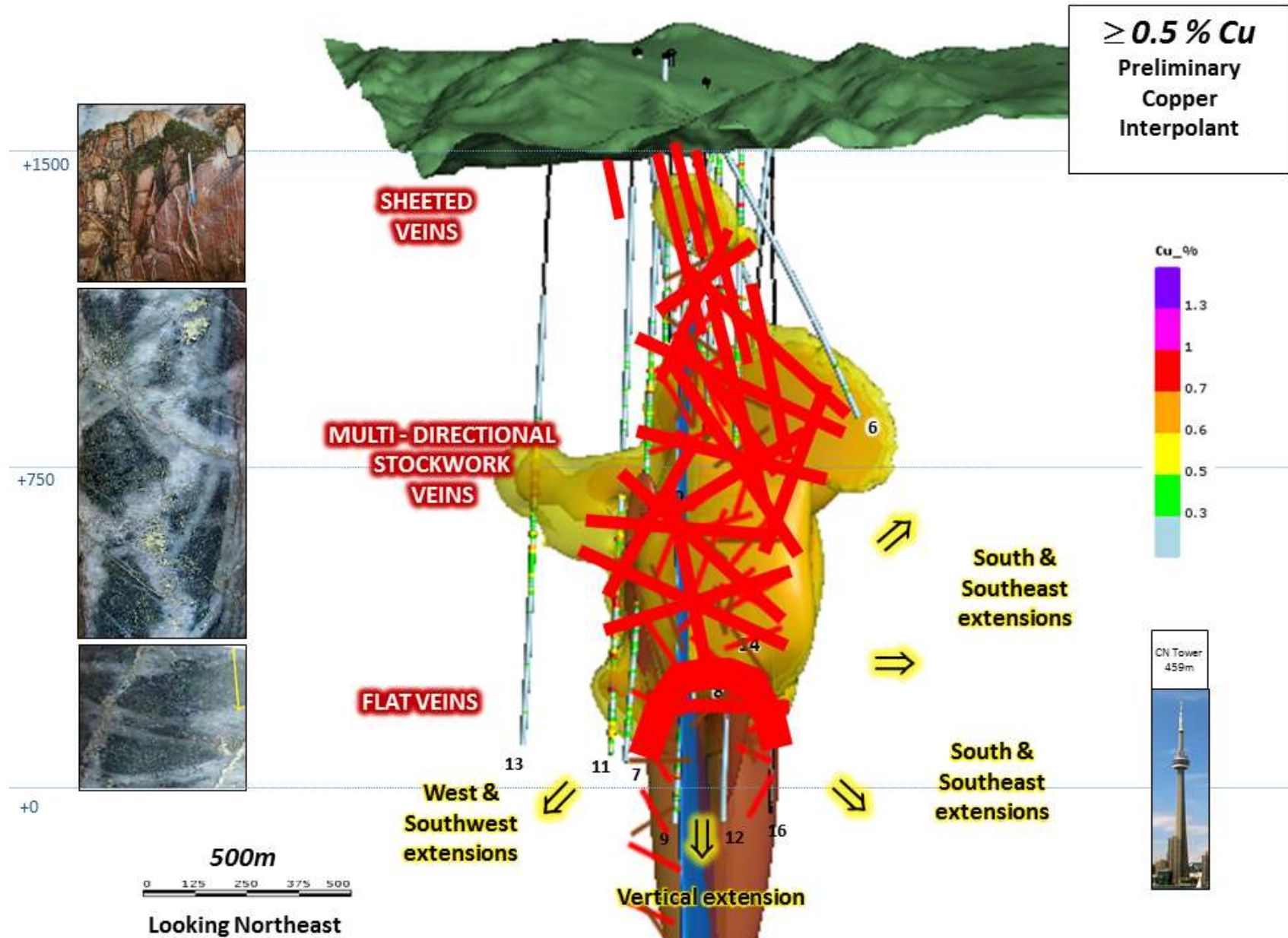


# Bornite - most important copper rich sulphide in high grade porphyry copper gold orebody endowment worldwide! (holes 5,8,9,12,16,17)





# Complex, multi-directional, high grade and huge





# Cascabel is delivering some of the worlds best porphyry copper-gold intersections

Rank	Operator	Property	Location	Interval (m)	Cu (%)	Au (g/t)	Cu.Eq (%)	m% CuEq
1	Chilean Giants	Codelco	Northern Chile	unknown	unknown	unknown	unknown	2500
2	Bingham Canyon	Kennecott	Utah, USA	unknown	unknown	unknown	unknown	2500
3	Newcrest Mining Limited	Newcrest Mining Limited	Papua New Guinea	943.5	1.44	1.28	2.56	2417
4	Newcrest Mining Limited	Newcrest Mining Limited	Papua New Guinea	1421.5	1.14	0.64	1.65	2352
5	La Poloma	Anglo American	Central Chile	730.0	3.58	0.00	3.19	2326
6	Los Sulphatos	Anglo American	Central Chile	717.0	3.6	0.00	3.20	2297
7	Imperial Metals	Red Chris	BC, Canada	1024.0	1.01	1.26	2.16	2211
8	Freeport McMoran	Grasberg	Irian Jaya	591.0	1.7	1.80	3.31	1958
9	Anglo Gold Ashanti	Nuevo Chaquiri	Colombia	810.0	1.65	0.78	2.25	1821
10	Cascabel - Hole 12	SolGold Plc	Ecuador	1312.0	0.67	0.63	1.23	1609
11	Cascabel - Hole 9	SolGold Plc	Ecuador	1088.0	0.66	0.89	1.48	1607
12	Newcrest	Cadia Ridgeway	NSW, Australia	341.0	0.93	3.86	4.69	1599
13	Metallica	El Morro, La Fortuna	Chile	780.0	0.84	1.24	1.99	1550
14	Cascabel - Hole 16	SolGold Plc	Ecuador	1145.6	0.78	0.63	1.32	1517
15	Ivanhoe Mines	Oyu Tolgoi**	Southern Mongolia	326.0	3.77	1.23	4.59	1495
16	Cascabel - Hole 5	SolGold Plc	Ecuador	1306.0	0.62	0.54	1.09	1426
17	Metallica	El Morro, La Fortuna	Chile	758.0	0.93	0.99	1.82	1378
18	Exeter Resources	Caspiche	Northern Chile	1214.0	0.9	0.33	1.13	1373
19	Ivanhoe Mines	Oyu Tolgoi**	Southern Mongolia	476.0	2.16	0.67	2.59	1234
20	Imperial Metals	Red Chris	Canada	1135.0	0.5	0.59	1.04	1175
21	Ivanhoe Mines	Hugo Dummet	Southern Mongolia	302.0	3.11	0.98	3.75	1132
22	Anglo American	Los Sulphatos	Central Chile	990.0	1.26	0.00	1.12	1110
23	Cascabel - Hole 15R2	SolGold Plc	Ecuador	1338.0	0.49	0.36	0.80	1065
24	Imperial Metals	Red Chris	BC, Canada	716.3	0.79	0.74	1.44	1034
25	Exeter Resources	Caspiche	Northern Chile	1058.0	0.7	0.35	0.97	1029
26	Metallica	El Morro, La Fortuna	Chile	820.0	0.59	0.73	1.26	1029
27	Ivanhoe Mines	Oyu Tolgoi	Southern Mongolia	422.0	2.48	0.21	2.42	1020
28	Cascabel - Hole 17	SolGold Plc	Ecuador	948.0	0.6	0.53	1.06	1009
29	KSM	Seabridge Gold Inc.	Canada	1023.4	0.24	0.77	0.98	1007
40	Exeter Resources	Caspiche	Northern Chile	792.5	0.96	0.40	1.25	994

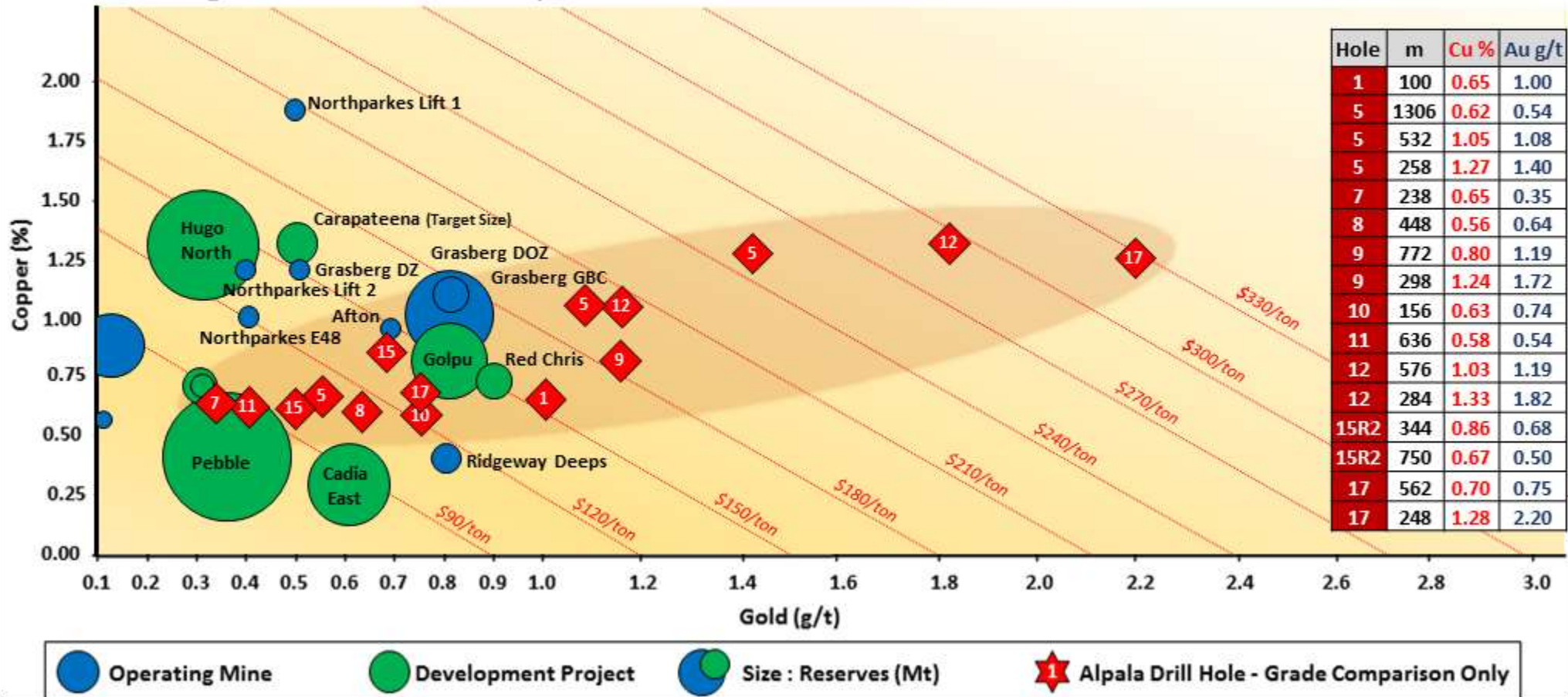
**NOTES:** \*Copper equivalent conversion factor of 0.89 calculated from copper price US\$2.20/lb and gold price US\$1,350/Oz. Intervals of <300m width are omitted. Results from Chilean state owned projects and from Bingham Canyon remain unpublished. **Sources:** peer review, snl.com, various company releases & broker reports, intierra.com, infomine.com.



# How could we develop Alpala? – multiple development options

## Global Block Cave Copper-Gold Mines in Operation or Development

Cu-Au grades and relative deposit size



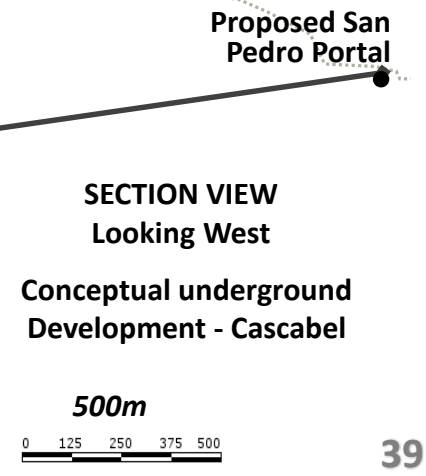
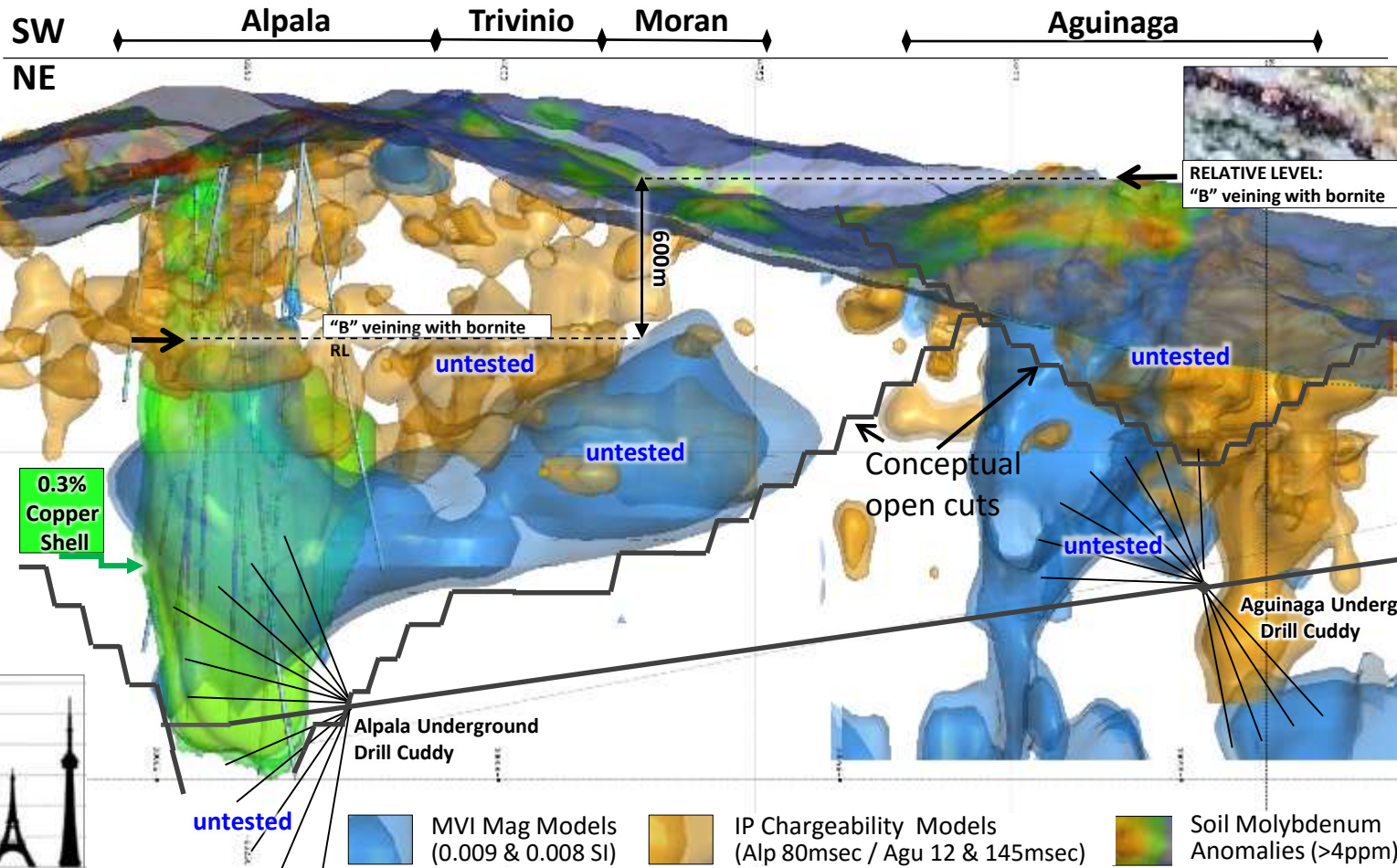
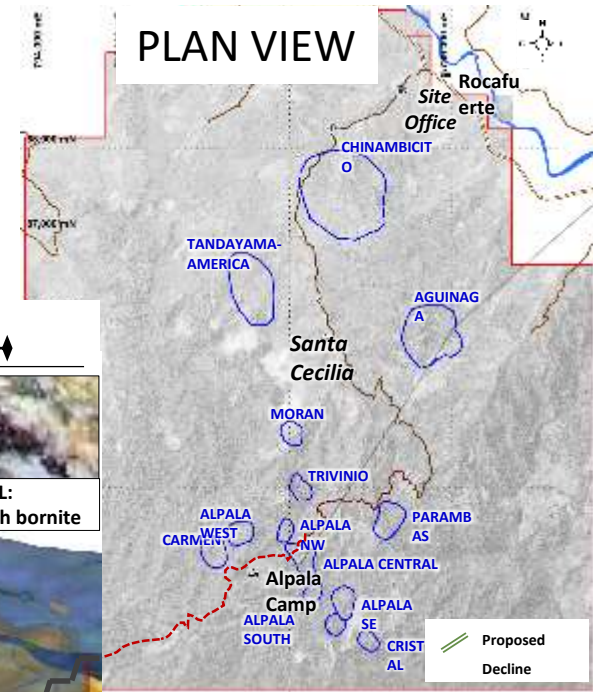
\* Modified from Oz Minerals, BMG Capital Markets, 2013 Globals Metals & Mining Conference Cu US\$2.2/lb, Au US\$1350/oz



# Potential open cut & underground development

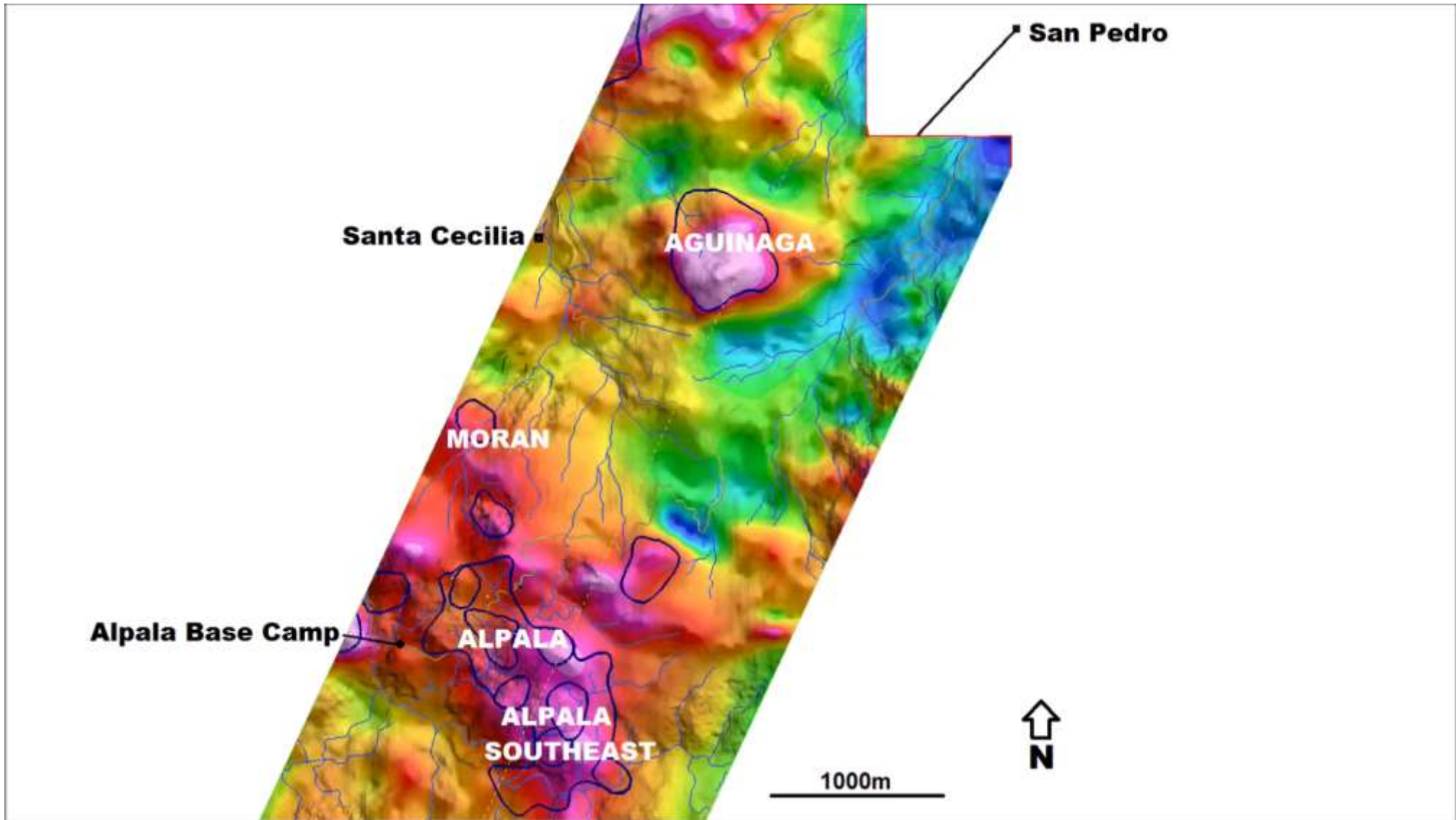
**Potential** – 6,000m (twin) decline development (vertical gains: *Alpala* 1,800m / *Aguinaga* 1,250m)

- *Aguinaga* RL is near surface
- *Alpala-Moran* deeper with footprint comparable to *Hugo Dummett*
- Justified by 80 drill holes & paid for with 500,000 tonnes at 2.0 % Cu, 2.5g/t Au
- *Bornite* 70% Cu at surface at *Aguinaga*





# The Alpala deposit in 3D – 30 second video



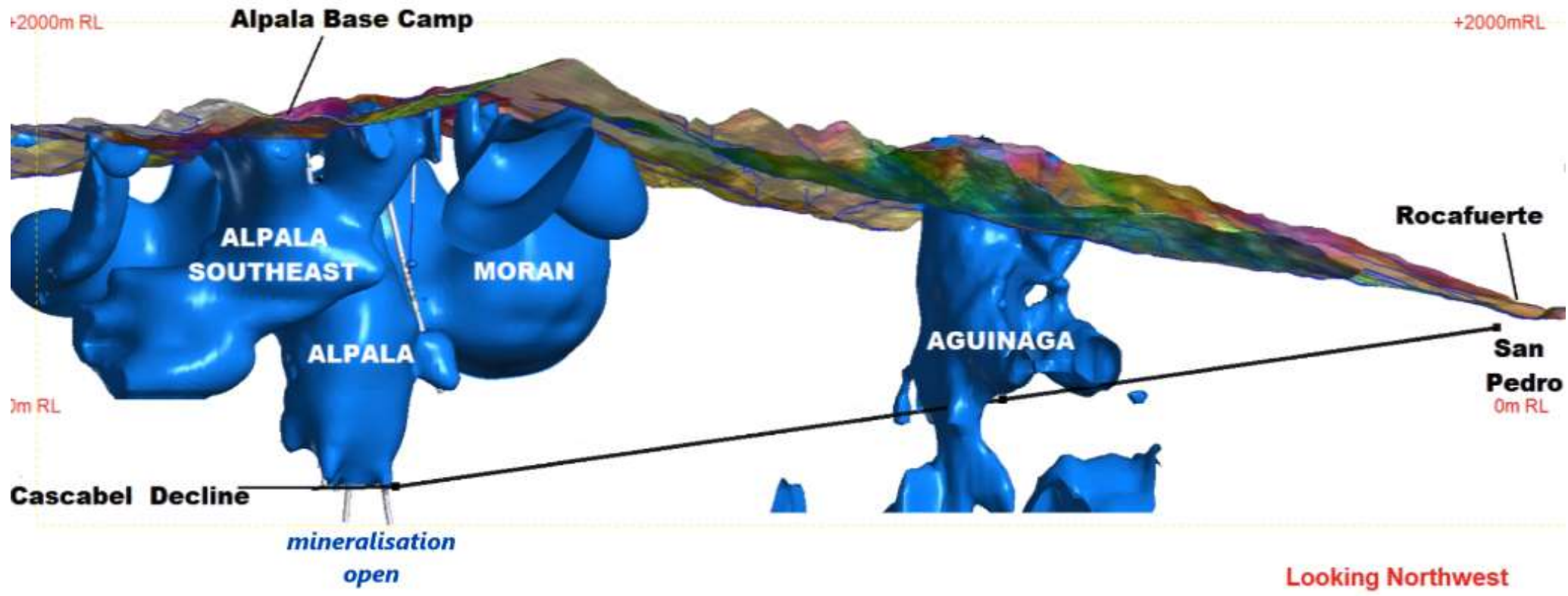




# The Alpala deposit in 3D

SW

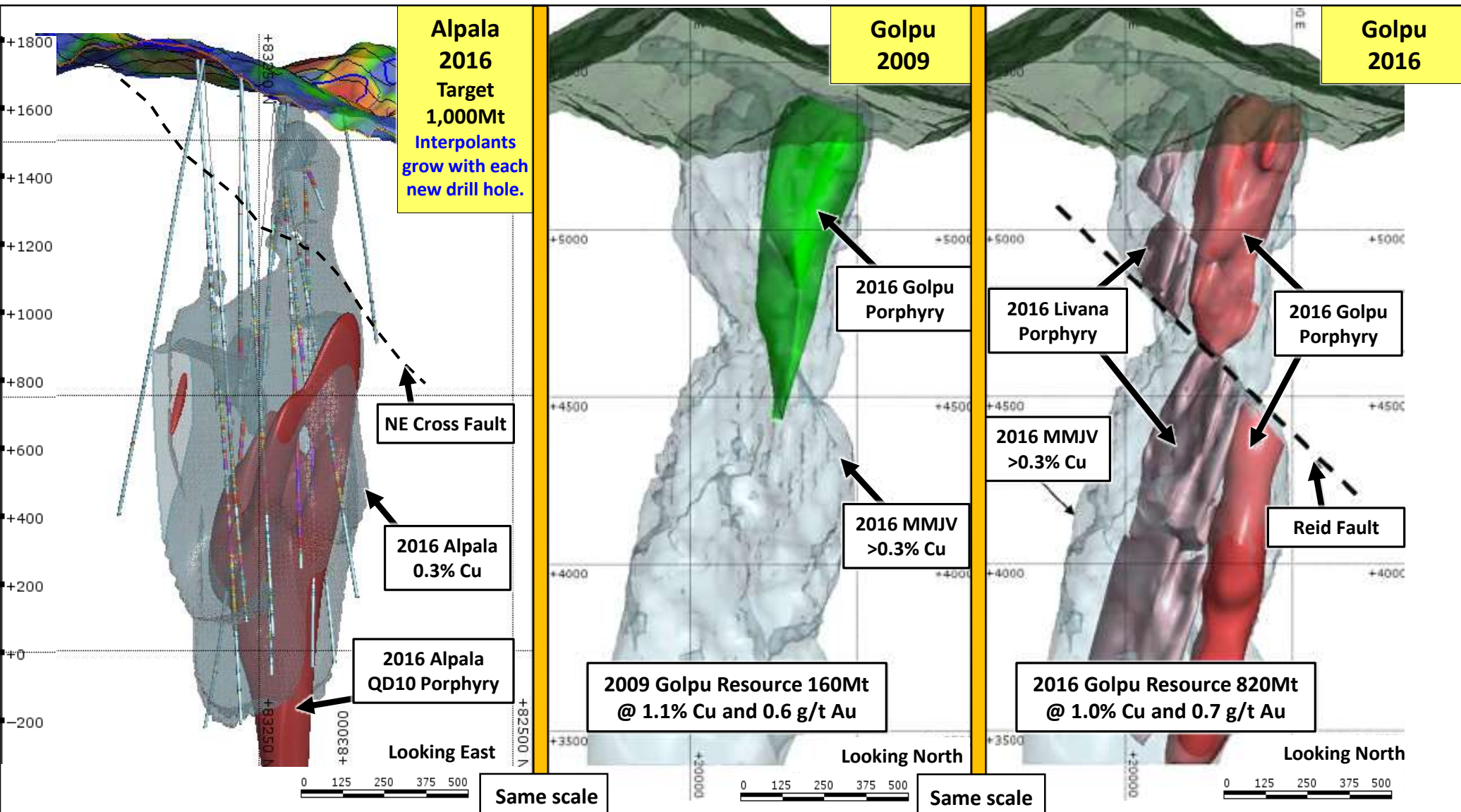
Proposed Cascabel Decline Development showing Surface RTP Magnetics over 3D MVI Magnetic Models





# Alpala has strong similarities to Newcrest - Harmony's Golpu

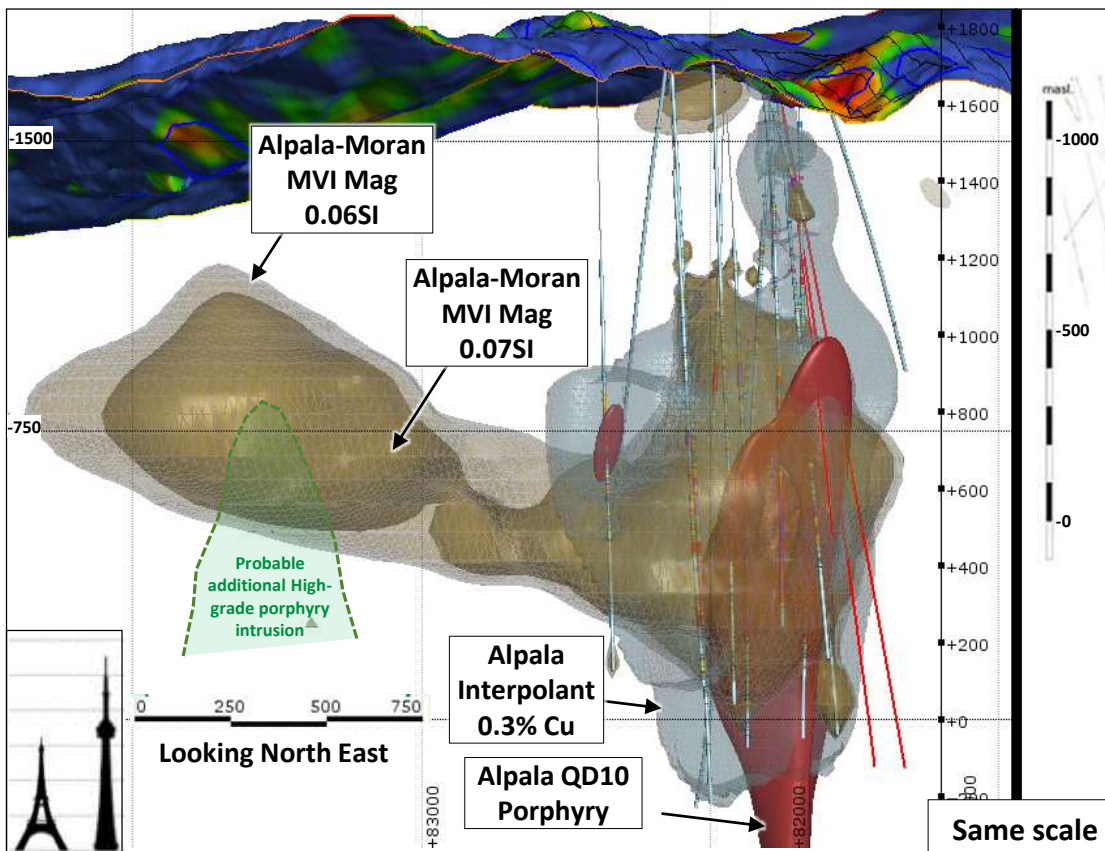
- **Scale Comparison to Golpu Deposit..... How quickly a porphyry deposit can grow!**



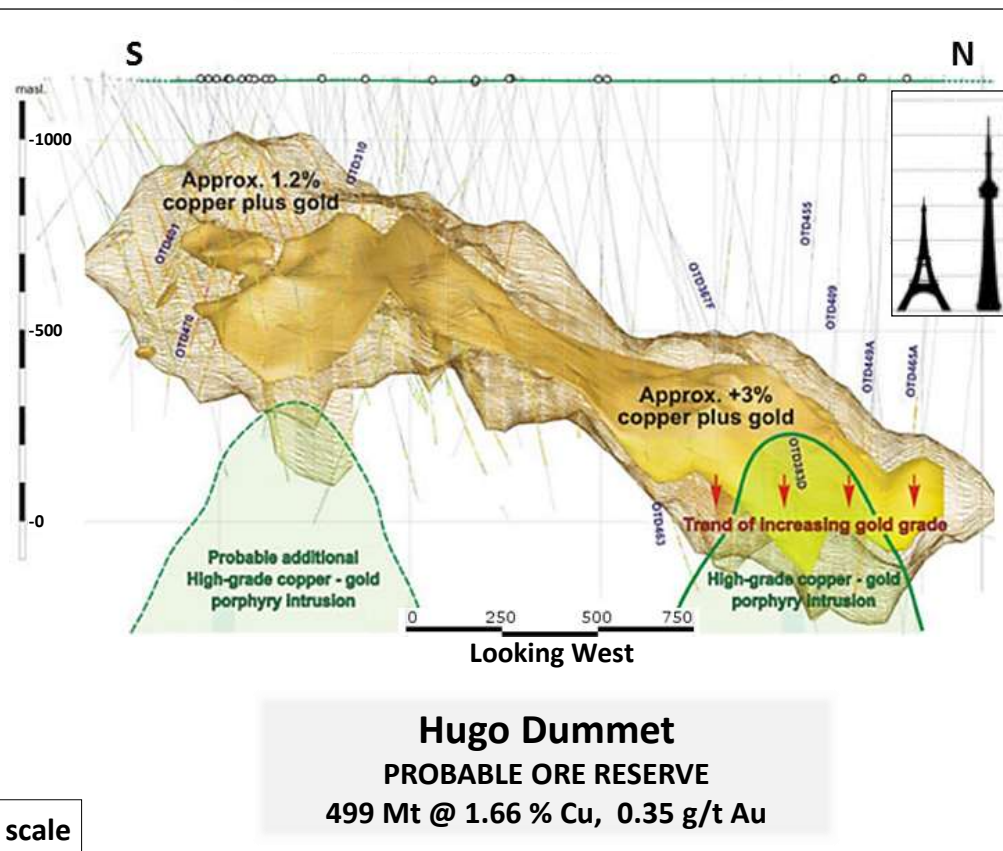


# With more drilling the greater Moran-Alpala trend could be as big as Hugo Dummet in Oyu Tolgoi, Mongolia

## Moran-Alpala, CASCABEL



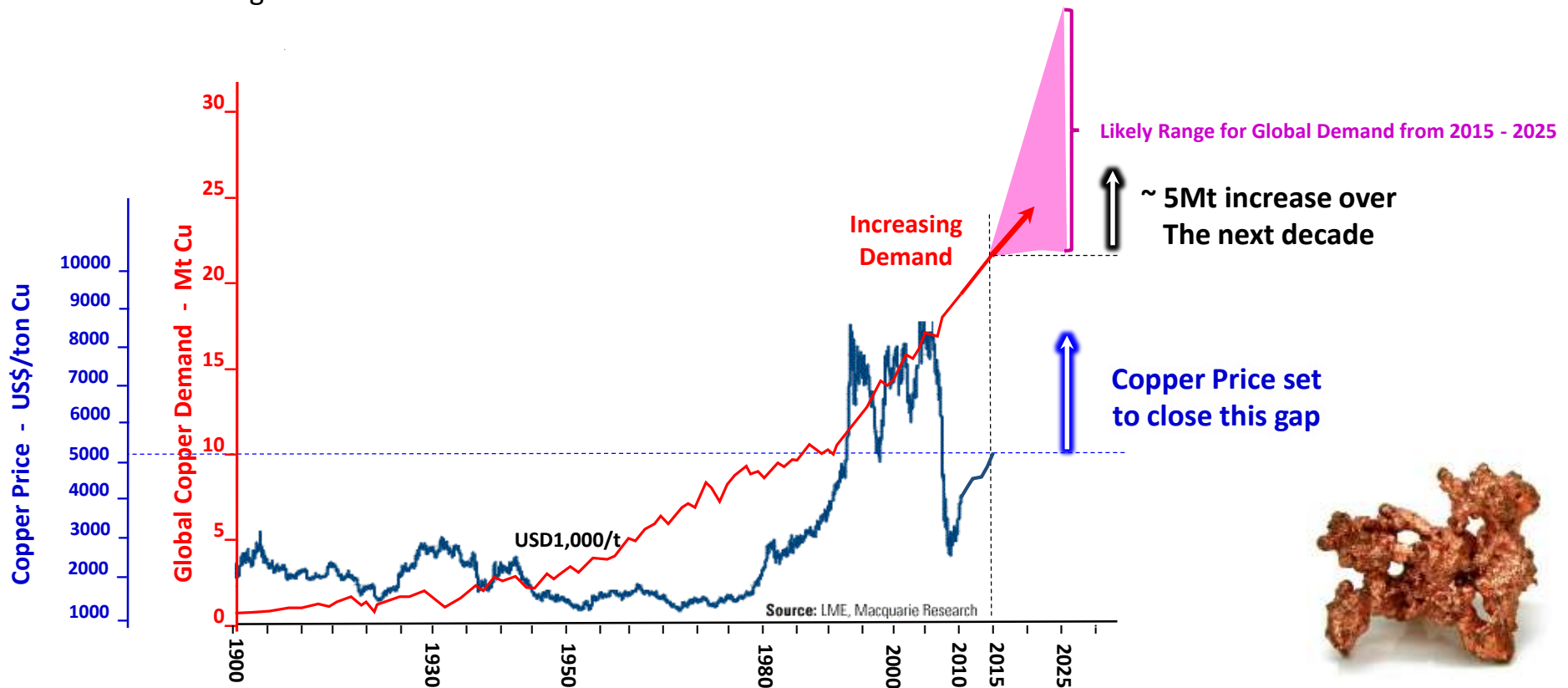
## Hugo Dummet, OYU TOLGOI





# Copper Demand rising....

- Global urbanization is irrevocably driving copper demand skyward
- Global resource inventory grades are falling
  - 1.6% underground and 0.75% in 1990
  - 1.1% underground and 0.5% in 2015
- Supply growth is constrained by geopolitics and technology
- Profitable Production is falling





...Outstripping development and production by 2018

The Escondida Copper Mine, Chile: The world's largest producer - same age host rocks as Cascabel. Image: BHP Billiton

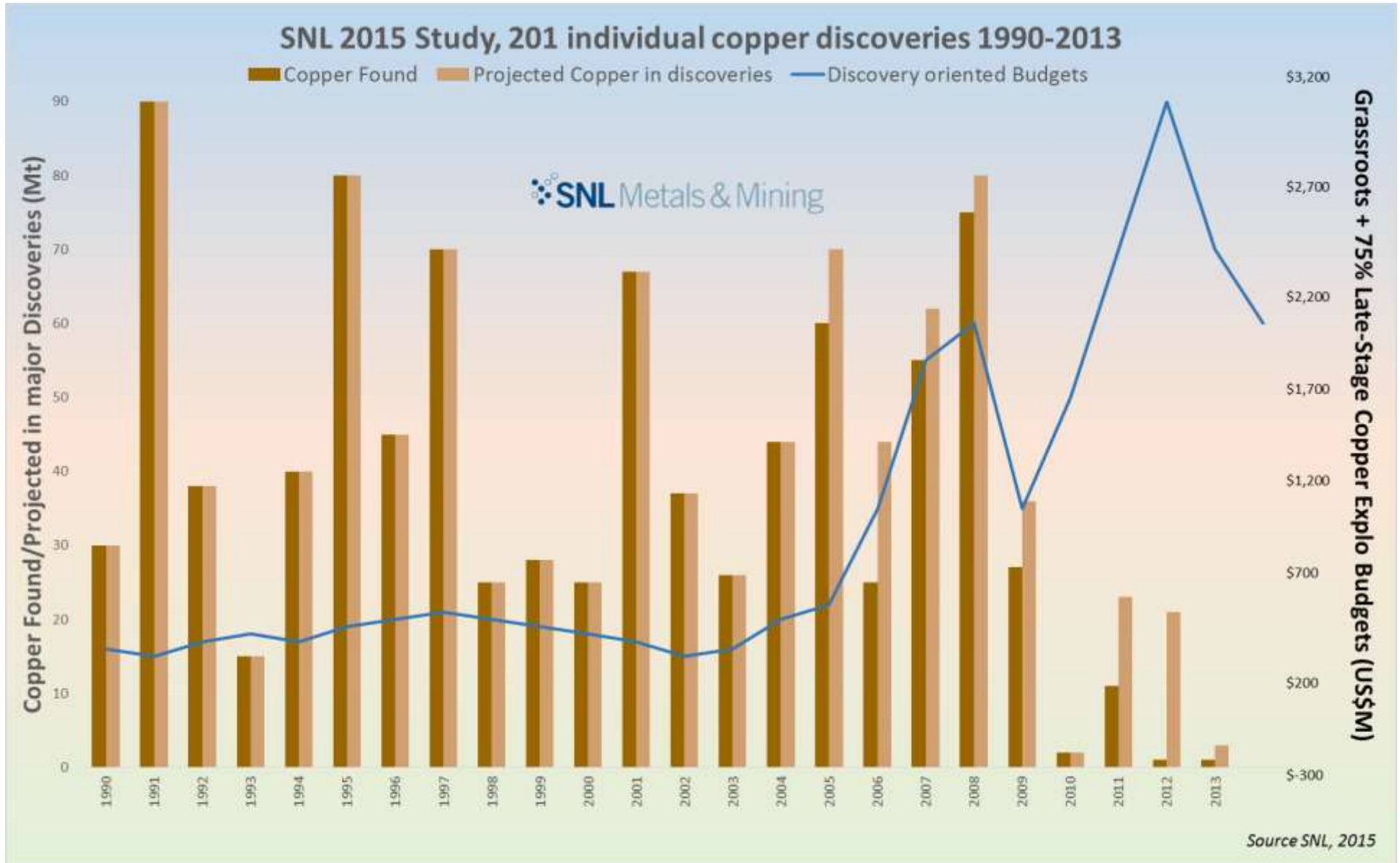


**We need to find a new one of these every 15 months!**

**"The Global copper industry needs a new Escondida mine every 15 months over the next 10 years in order to meet global demand..."**  
*Rio Tinto CEO Jean-Sébastien Jacques*



# Explorers spending more but where are the big discoveries? *Cascabel!*





# SolGold Upcoming Program

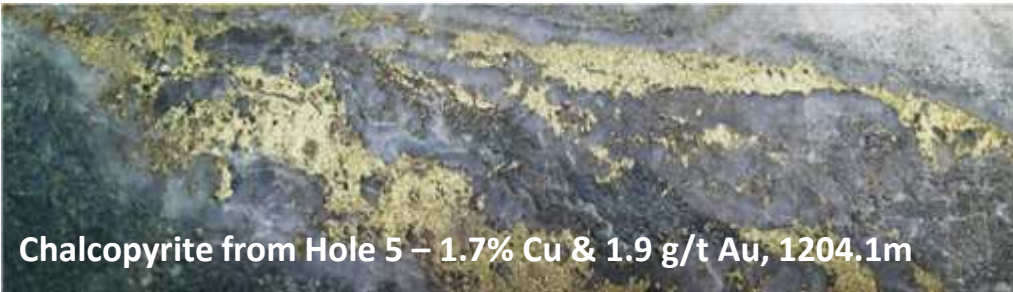


## Next two years:

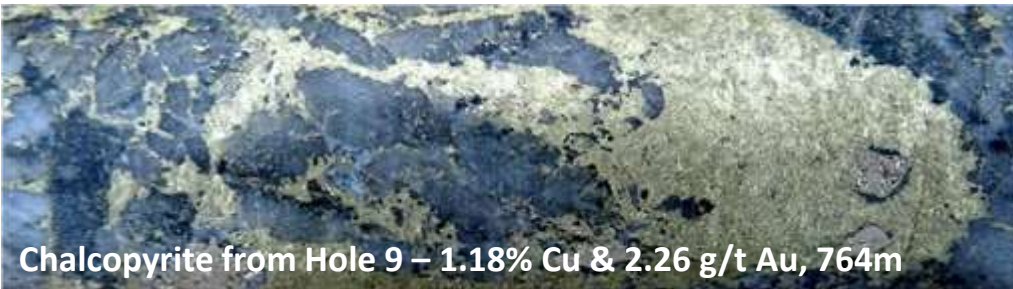
- 95,000 metres of drilling
- Up to 10 rigs
- Extend Alpala
- Detailed magnetics and IP
- Drill test new targets
- Metallurgy, resource and mining studies



# Thank-you



Chalcopyrite from Hole 5 – 1.7% Cu & 1.9 g/t Au, 1204.1m



Chalcopyrite from Hole 9 – 1.18% Cu & 2.26 g/t Au, 764m

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Qualified Person

Information in this report relating to the exploration results is based on data reviewed by Nicholas Mather, BSc (Hons), Executive Director. Mr Mather is a Member of the Australasian Institute of Mining and Metallurgy who has in excess of 34 years' experience in mineral exploration and is a Qualified Person under the AIM Rules. Mr Mather consents to the inclusion of the information in the form and context in which it appears.

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