

8 May 2019

SolGold plc
("SolGold" or the "Company")

Large Copper and Gold Systems Discovered at Chical

The Board of SolGold (LSE & TSX code: SOLG) is pleased to provide an update from the Company's regional exploration activities from its 100% owned Chical Project in northern Ecuador, held by wholly owned subsidiary Carnegie Ridge Resources S.A.

Highlights

- Follow up of anomalous stream sediment geochemistry has identified a 5.8km² area of mineralised epithermal gold and porphyry style mineralisation comprising 3 prospect areas; the Pascal, La Esperanza and Espinoza prospects.
- The Chical Project is held under the 100% owned Chical 1,2 and 5 Tenements (**Figure 1**)
- Mineralisation is associated with an extensive contact zone between intrusive granodiorite and gabbro with volcano-sedimentary units.
- Gold mineralisation consists of epithermal stockwork quartz veining with an abundance of 10 to 15 veins per metre significantly more intense than that required for a significant mineral system associated with strong chlorite-sericite-epidote hydrothermal alteration.
- Rock chip sampling of mineralised quartz veins and stockworks at Pascal and Espinoza prospects over a 2km length returned significant gold values:
 - R01003083 **45.5 g/t Au** (float)
 - R01003217 **7.05 g/t Au**
 - R01003148 **3.27 g/t Au**
 - R01003134 **2.57 g/t Au**
- Rock chip samples of sulphide veinlets associated with potassic alteration (and alteration style diagnostic of a significant porphyry system) from the La Esperanza prospect return high copper and molybdenum values over an area 2.5km long and up to 1km wide:
 - R01003071 **1.04% Cu, 0.42 g/t Au, 886 ppm (0.088%) Mo**
 - R01003095 **0.94% Cu, 0.18 g/t Au, 5.84 ppm Mo**
 - R01003156 **0.9% Cu, 0.44 g/t Au, 348 ppm (0.034%) Mo**

Commenting on the results, SolGold's Exploration and Country Manager Jason Ward said:

"The large areas of geochemical anomalism, the widespread extent of the altered and mineralised outcrops and the mineralisation style comprising multi directional veining accompanied by molybdenum are strong indicators of a large copper rich porphyry system at La Esperanza. Peripheral high-grade gold rich epithermal veins have also been identified at Pascal and Espinoza. The high-grade gold vein occurrences also indicate potential for early high-grade gold resources beside the porphyries.



The proximity of Chical to Cascabel is geologically and logistically encouraging and vindicates our long-held opinion that we have discovered a new copper porphyry province. The generative foundations laid in 2014 are certainly paying off.”

Introduction

Ecuador is located on the copper-gold rich and under-explored northern section of the Andean Copper Belt. The well explored southern portion is renowned as the production base for nearly half of the world’s copper (**Figure 1**). SolGold’s strategy to become a tier 1 copper and gold producer through systematic exploration continues to yield exciting results. Follow up exploration has focussed on 11 priority projects identified across SolGold’s 72 granted regional concessions.

With 11 priority projects now recognised, ongoing exploration by SolGold technical teams is focussed on advancing these priority projects with a view to progress to drill testing as soon as possible. SolGold’s high success rate has been achieved by operating multiple field teams comprising 42 Ecuadorean geologists in regional exploration, led by highly experienced national geologists and applying the exploration discovery and appraisal blueprint developed over the last 4 years at Alpala.

Further Information

Chical Project

Follow up mapping (**Figures 2 & 3**) and rock chip sampling of a stream sediment geochemical gold anomaly, known as the Pascal and Espinoza prospects returned rock results of up to **45.5 g/t Au** in granodiorite and andesite rocks (**Figures 2, 3 & 4**). Samples were taken from epithermal quartz vein network(stockwork) outcrops (**Figure 6**) hosting the mineralisation. Significant rock chip results from the Pascal prospect over 2km in length include;

- R01003083 **45.5g/t Au (float)**
- R01003217 **7.05 g/t Au**
- R01003148 **3.27g/t Au**
- R01003134 **2.57g/t Au**
- R01003064 **2.41g/t Au**

A stream sediment geochemical copper anomaly was also identified in the La Esperanza prospect dominated by diorite and granodiorites with veinlets of quartz – chalcopyrite associated with porphyry diagnostic potassic alteration over an area of 2.5nm5km long and up to 1km wide (**Figure 5**). This copper anomaly shows coincident molybdenum and copper - zinc ratio (Cu/Zn) geochemical anomalies (**Figure 2 & 3**). Best geochemical rock chip results include:

- R01003071 **1.04% Cu, 0.42 g/t Au, 886 ppm (0.088%) Mo**
- R01003095 **0.94% Cu, 0.18 g/t Au, 5.84 ppm Mo**
- R01003156 **0.9% Cu, 0.44 g/t Au, 348 (0.034) ppm Mo**
- R01003226 **0.63% Cu, 0.59 g/t Au, 50.8 ppm Mo (float)**
- R01003157 **0.42% Cu, 0.1 g/t Au, 459 ppm (0.045) Mo**

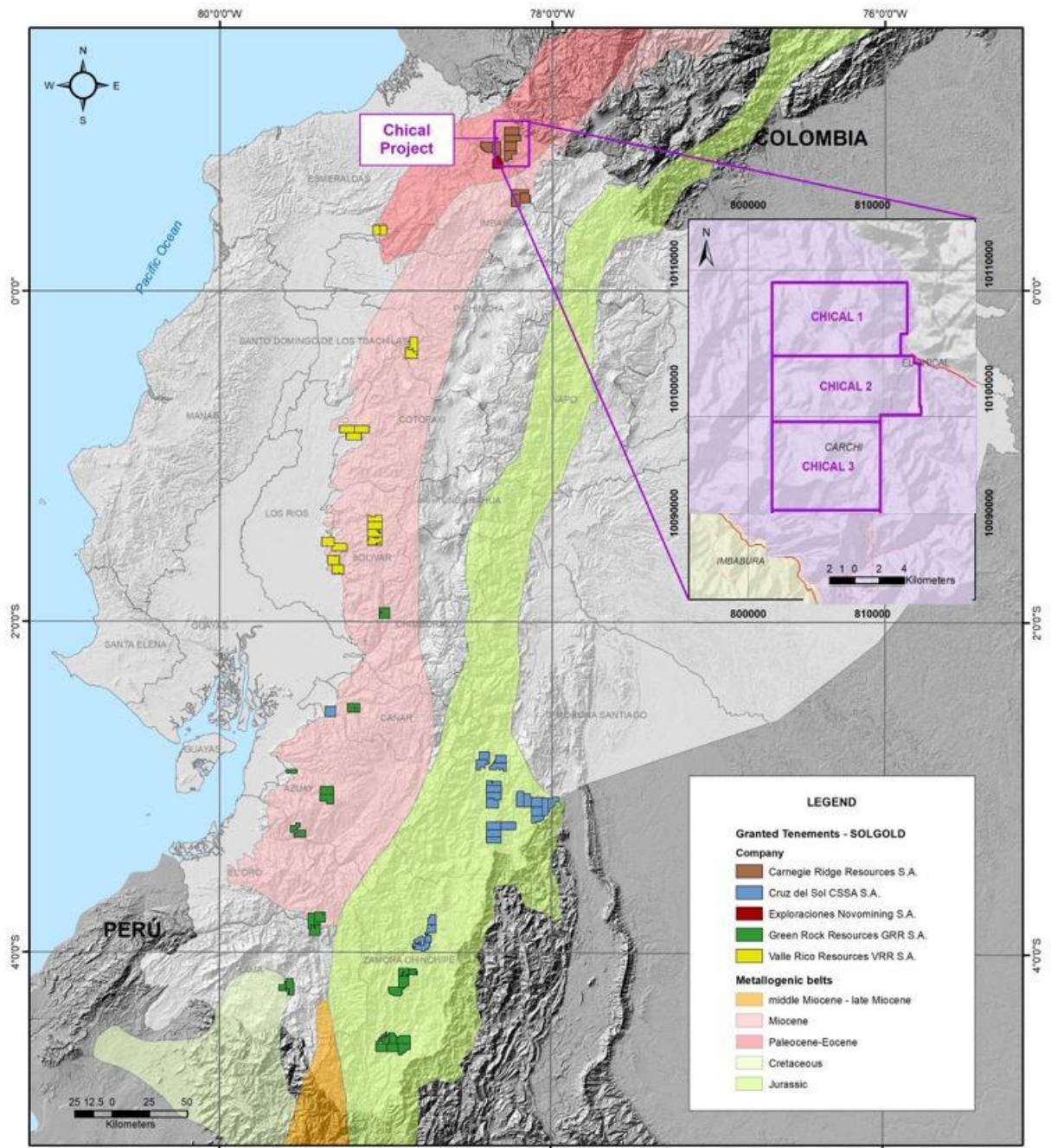


Figure 1: Location plan of the Chical Project in southern Ecuador.

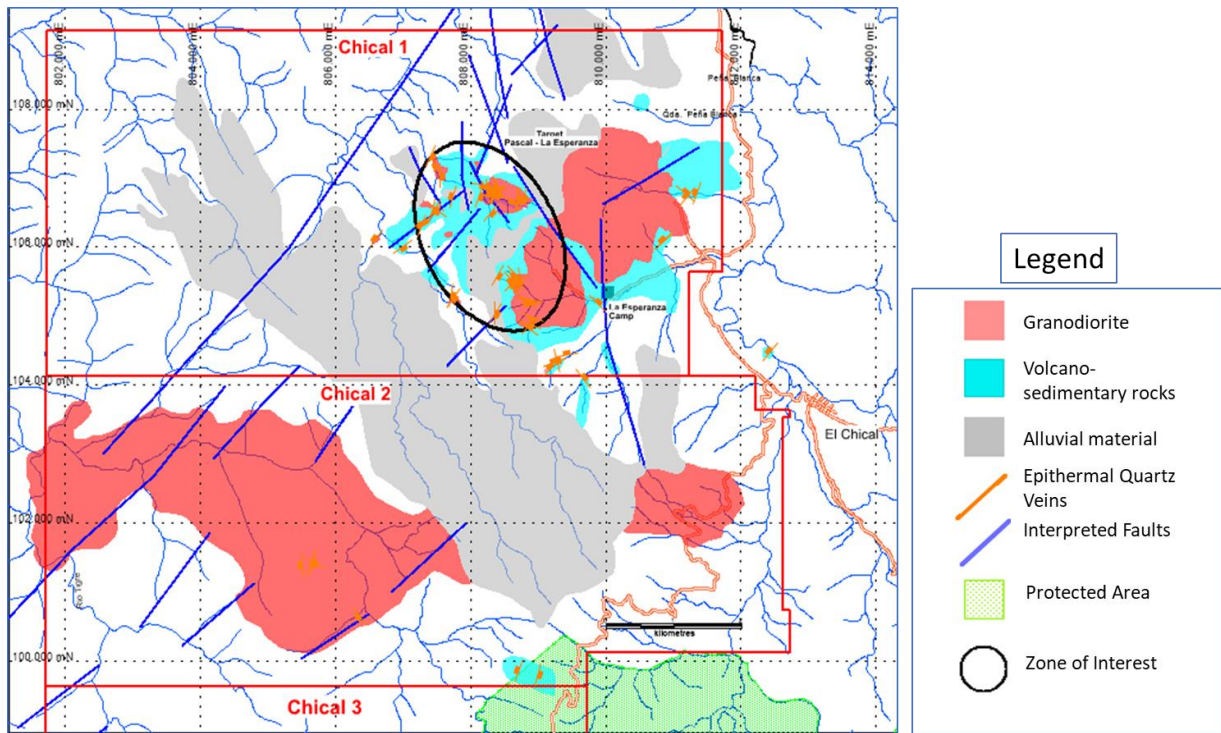


Figure 2: Geology of the Chical Project

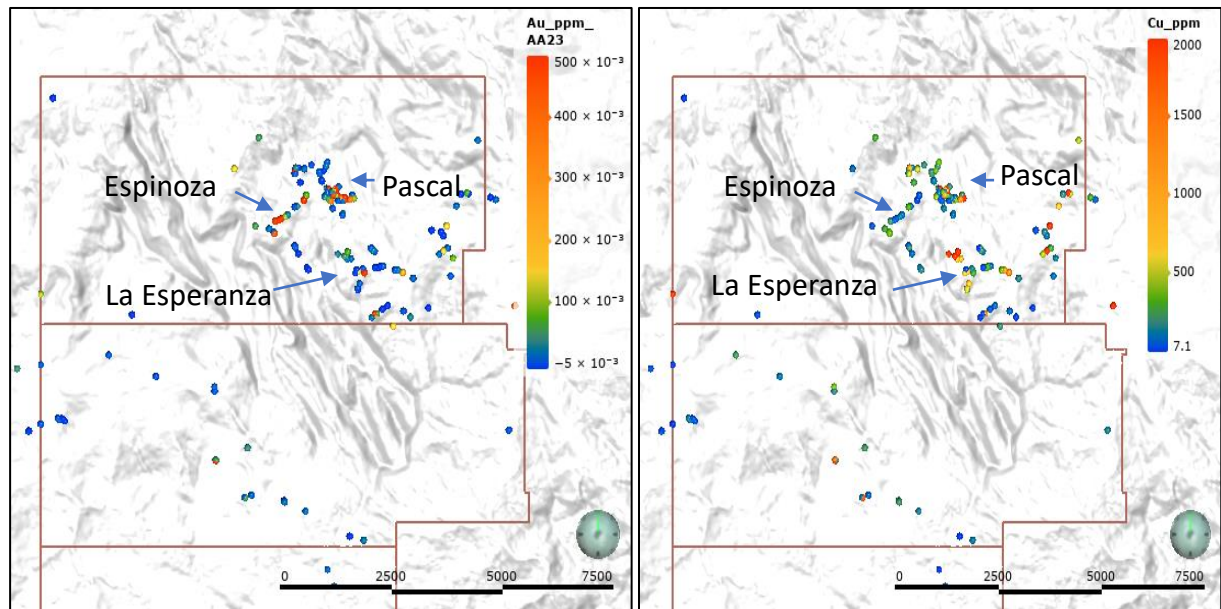
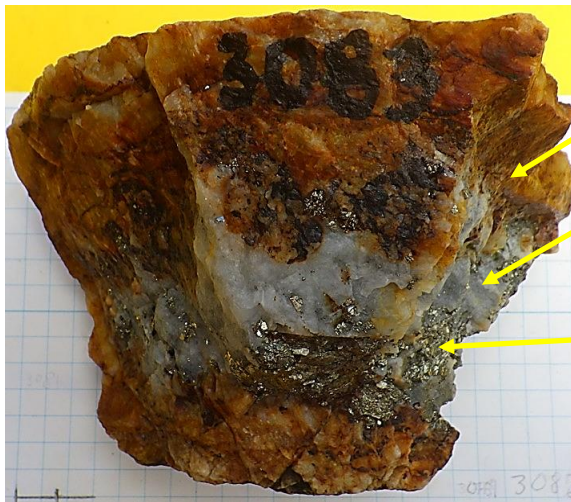


Figure 3: Chical Project - Gold and copper rock chip results.



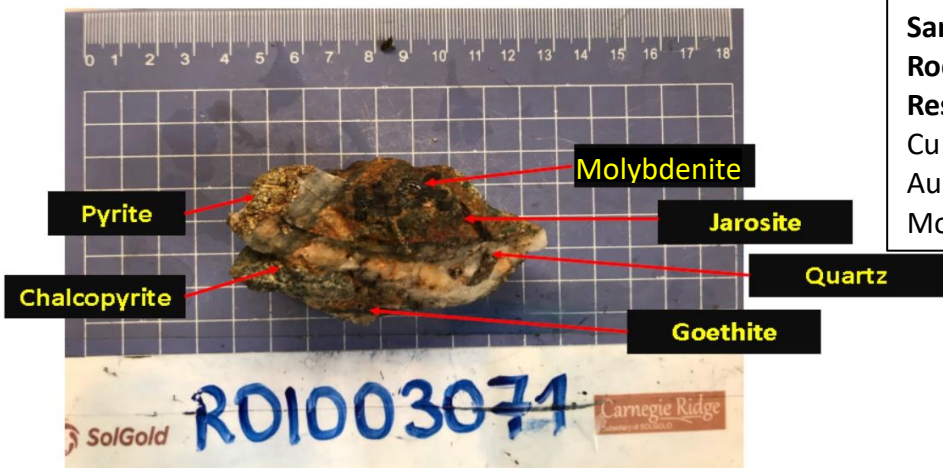
Jarosite,
goethite

Qz
veinlets

Py 0.5%
, Cpy
0.3%

Sample: R01003083
Rock: Quartz Vein float
Results:
 Cu: 2460 ppm
 Au: 45.5 g/t Au

Figure 4: High grade rock sample from the Chical Project.



Pyrite

Chalcopyrite

Molybdenite

Jarosite

Quartz

Goethite

Sample: R01003071
Rock: Vein
Results:
 Cu: 1.04% Cu
 Au: 0.42 ppm
 Mo: 886 ppm

Figure 5 : Rock chip sample from the Chical Project.



Figure 6: Quartz stockwork veining at the Chical project

Sample ID	easting	northing	elevation	sample type	Au_ppm	Cu_ppm	Mo_ppm
R01003083	808393	106778	1642	float	45.5	2460	26.8
R01003039	802748	109128	1029	float	19.35	146	9.37
R01003217	808624	106652	1660	chip	7.05	412	2.64
R01003148	807500	106519	1560	chip	3.27	117	2.1
R01003167	807025	106212	1449	float	3.09	222	0.57
R01003134	808268	106820	1622	chip	2.57	283	2.52
R01003064	810859	106093	1311	chip	2.41	1710	2.99
R01003169	807167	106261	1464	float	2.34	59.9	3.97
R01003123	808450	106714	1633	chip	2.26	179.5	1.27
R01003063	810859	106093	1311	chip	2.07	1540	2.07
R01003184	807473	107211	1530	chip	1.705	237	0.39
R01003180	807444	107294	1540	chip	1.66	163.5	0.92
R01003173	809038	105167	1434	float	1.55	303	1.24
R01003151	807500	106519	1560	chip	1.25	562	1.51
R01003093	806823	106054	1416	float	1.155	69.2	2.53

Table 1: Significant gold results – Chical rock chips

Sample ID	easting	northing	elevation	sample type	Cu_ppm	Au_ppm	Mo_ppm
R01003071	812427	104503	1124	chip	10440	0.416	886
R01003095	808723	105526	1525	chip	9400	0.179	5.84
R01003156	808721	106659	1683	chip	9040	0.438	348
R01003226	808405	106873	1664	float	6280	0.592	50.8
R01003114	809631	110156	1267	chip	5170	0.07	1.74

Table 2: Significant copper results – Chical rock chips



Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of the Regulation (EU) No 596/2014 until the release of this announcement.

Qualified Person:

Information in this report relating to the exploration results is based on data reviewed by Mr Jason Ward ((CP) B.Sc. Geol.), the Chief Geologist of the Company. Mr Ward is a Fellow of the Australasian Institute of Mining and Metallurgy, holds the designation FAusIMM (CP), and has in excess of 20 years' experience in mineral exploration and is a Qualified Person for the purposes of the relevant LSE and TSX Rules. Mr Ward 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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ABOUT SOLGOLD

SolGold is a leading exploration company focussed on the discovery and definition of world-class copper and gold deposits. In 2018 SolGold's management team was recognised by the "Mines and Money" Forum as an example of excellence in the industry, and continue to strive to deliver objectives efficiently and in the interests of shareholders. SolGold is the largest and most active concession holder in Ecuador and is aggressively exploring the length and breadth of this highly prospective and gold-rich section of the Andean Copper Belt.

Ecuador dedicated to become a serious mining nation

Ecuador has, over the last 5 years, been recognised globally as a frontrunner in emerging mining nations as it develops regulatory and fiscal frameworks to facilitate the development of a fiscally, socially and environmentally strong and responsible mining industry.

Dedicated stakeholders

SolGold employs a staff of over 560 and at least 98% are Ecuadorean. This is expected to grow as the operations at Alpala, and in Ecuador generally, expand. SolGold focusses its operations to be safe, reliable and environmentally responsible and maintains close relationships with its local communities. SolGold has engaged an increasingly skilled refined and experienced team of geoscientists using state of the art geophysical and geochemical modelling applied to an extensive data base to enable the delivery of ore grade intersections from nearly every drill hole at Alpala. SolGold has 86 geologists, of which 11% are female, on the ground in Ecuador looking for copper and gold.

About Cascabel and Alpala

The Alpala deposit is the main target in the Cascabel concession, located on the northern section of the heavily endowed Andean Copper Belt, the entirety of which is renowned as the base for nearly half of the world's copper production. The project area hosts mineralisation of Eocene age, the same age as numerous Tier 1 deposits along the Andean Copper Belt in Chile and Peru to the south. The project base is located at Rocafuerte within the Cascabel concession in northern Ecuador, an approximately three hour drive on sealed highway north of Quito, close to water, power supply and Pacific ports (**Figure 1**).

Alpala has produced some of the greatest drill hole intercepts in porphyry copper-gold exploration history, as exemplified by Hole 12 (CSD-16-012) returning 1560m grading 0.59% copper and 0.54 g/t gold including, 1044m grading 0.74% copper and 0.54 g/t gold.

Having fulfilled its earn-in requirements, SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in ENSA (Exploraciones Novomining S.A.) which holds 100% of the Cascabel concession covering approximately 50km². The junior equity owner in ENSA is required to repay 15% of costs since SolGold's earn in was completed, from 90% of its share of distribution of earnings or dividends from ENSA or the Cascabel concession. It is also required to contribute to development or be diluted, and if its interest falls below 10%, it shall reduce to a 0.5% NSR royalty which SolGold may acquire for US\$3.5m.

Over 189,984m of diamond drilling has been completed on the project. With numerous rigs currently active on the project, SolGold produces up to approximately 10,000m of core every month. The Cascabel drill program is currently focussed on extending and upgrading the status of the Alpala Resource, as well as further drill testing of the rapidly evolving Aguinaga prospect. Drill testing of the Trivinio target has commenced, whilst the numerous other untested targets, namely at Moran, Cristal, Tandayama-America and Chinambicito, are flagged for drill testing as overall program demands allow.



Since the publication of the Alcala Maiden Mineral Resource Estimate in January 2018, which outlined a contained metal inventory of 5.2 million tonnes of copper and 12.6 million ounces of gold, the Company has nearly doubled both drilled and reported meterage.

The November 2018 Alcala MRE update, dated 15 November 2018, was estimated from 68,173 assays. Drill core samples were obtained from total of 133,576m of drilling comprising 128 diamond drill holes, including 75 drill holes comprising, 34 daughter holes, 8 redrills, and 11 over-runs, and represents full assay data from holes 1-67 and partial assay data received from holes 68 to 75. In contrast, the Dec 2017 Maiden MRE was estimated from 26,814 assays obtained from 53,616m of drilling comprising 45 drill holes, including 10 daughter holes and 5 redrills.

The November 2018 Alcala updated Mineral Resource Estimate (MRE) totals a current:

- 2,050 Mt @ 0.60% CuEq (at 0.2% CuEq cut-off) in the Indicated category, and 900 Mt @ 0.35% CuEq (at 0.2% CuEq cut-off) in the Inferred category.
- Contained metal content of 8.4 Mt Cu and 19.4 Moz Au in the Indicated category.
- Contained metal content of 2.5 Mt Cu and 3.8 Moz Au in the Inferred category.

Investors should consult the technical report dated 3 January 2019 for a detailed account of the assumptions on which the estimates were based as well as any known legal, political, environmental and other risks that could materially affect the development of the resources.

Getting Alcala advanced towards development

SolGold has appointed feasibility management to initially address the production of a preliminary economic assessment (PEA), prior to the prefeasibility and feasibility studies.

The resource at the Alcala deposit boasts a high grade core which, in the event of the construction of a mine, is targeted to facilitate early cashflows and an accelerated payback of initial capital. SolGold is currently investigating development and financing options available to the company for the development of Cascabel on reaching feasibility.

SolGold's regional push

SolGold is using its successful and cost efficient blueprint established at Alcala, and Cascabel generally, to explore for additional world class copper and gold projects across Ecuador. SolGold is the largest and most active concessionaire in Ecuador having recognised as early as 2014 that the country hosted the same untested prospectivity as the Northern Chilean section of the Andean Copper Belt, which accounts for some 25% of the world's copper resources.

The Company believes Alcala is just the beginning for SolGold in Ecuador. The Company wholly owns four other subsidiaries active throughout the country that are now focussed on 11 high priority gold and copper resource targets, several of which the Company believes have the potential, subject to resource definition and feasibility, to be developed in close succession or even on a more accelerated basis from Alcala.

SolGold is listed on the London Stock Exchange and Toronto Stock Exchange (LSE/TSX: SOLG). The Company has on issue a total of 1,837,012,007 fully-paid ordinary shares; 21,250,000 share options exercisable at 40p and 47,012,000 share options exercisable at 60p.

See www.solgold.com.au for more information. Follow us on twitter @SolGold_plc



CAUTIONARY NOTICE

News releases, presentations and public commentary made by SolGold plc (the "Company") and its Officers may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to interpretations of exploration results to date and the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's Directors. Such forward-looking and interpretative 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 interpretations and forward-looking statements.

Accordingly, the reader should not rely on any interpretations or forward-looking statements; and save as required by the exchange rules of the TSX and LSE or by applicable laws, the Company does not accept any obligation to disseminate any updates or revisions to such interpretations or forward-looking statements. The Company may reinterpret results to date as the status of its assets and projects changes with time expenditure, metals prices and other affecting circumstances.

This release may contain "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements regarding the Company's plans for developing its properties. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: transaction risks; general business, economic, competitive, political and social uncertainties; future prices of mineral prices; accidents, labour disputes and shortages and other risks of the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

The Company and its officers do not endorse, or reject or otherwise comment on the conclusions, interpretations or views expressed in press articles or third-party analysis, and where possible aims to circulate all available material on its website.

The Company recognises that the term "World Class" is subjective and for the purpose of the Company's projects the Company considers the drilling results at the growing Alpala Porphyry Copper Gold Deposit at its Cascabel Project to represent intersections of a "World Class" deposit. The Company considers that "World Class" deposits are rare, very large, long life, low cost, and are responsible for approximately half of total global metals production.



"World Class" deposits are generally accepted as deposits of a size and quality that create multiple expansion opportunities, and have or are likely to demonstrate robust economics that ensure development irrespective of position within the global commodity cycles, or whether or not the deposit has been fully drilled out, or a feasibility study completed.

Standards drawn from industry experts (1) Singer and Menzie, 2010; (2) Schodde, 2006; (3) Schodde and Hronsky, 2006; (4) Singer, 1995; (5) Laznicka, 2010) have characterised "World Class" deposits at prevailing commodity prices. The relevant criteria for "World Class" deposits, adjusted to current long run commodity prices, are considered to be those holding or likely to hold more than 5 million tonnes of copper and/or more than 6 million ounces of gold with a modelled net present value of greater than USD 1 Billion.

The Company and its external consultants prepared an initial mineral resource estimate at the Cascabel Project in December 2017. Results are summarised in **Table B** attached.

The Mineral Resource Estimate was completed from 53,616m of drilling, approximately 84% of 63,500m metres drilled as of mid-December 2017, the cut-off date for the maiden resource calculation. There remains strong potential for further growth from more recent drilling results, and continue rapid growth of the deposit.

Any development or mining potential for the project remains speculative.

Drill hole intercepts have been updated to reflect current commodity prices, using a data aggregation method, defined by copper equivalent cut-off grades and reported with up to 10m internal dilution, excluding bridging to a single sample. Copper equivalent grades are calculated using a gold conversion factor of 0.63, determined using an updated copper price of USD3.00/pound and an updated gold price of USD1300/ounce. True widths of down hole intersections are estimated to be approximately 25-70%.

On the basis of the drilling results to date and the results of the Alpala Maiden Mineral Resource Estimate, the reference to the Cascabel Project as "World Class" (or "Tier 1") is considered to be appropriate. Examples of global copper and gold discoveries since 2006 that are generally considered to be "World Class" are summarised in **Table A**.

References cited in the text:

1. Singer, D.A. and Menzie, W.D., 2010. *Quantitative Mineral Resource Assessments: An Integrated Approach*. Oxford University Press Inc.
2. Schodde, R., 2006. *What do we mean by a world class deposit? And why are they special*. Presentation. AMEC Conference, Perth.
3. Schodde, R and Hronsky, J.M.A, 2006. *The Role of World-Class Mines in Wealth Creation*. Special Publications of the Society of Economic Geologists Volume 12.
4. Singer, D.A., 1995, *World-class base and precious metal deposits—a quantitative analysis*: Economic Geology, v. 90, no.1, p. 88–104.
5. Laznicka, P., 2010. *Giant Metallic Deposits: Future Sources of Industrial Metal, Second Edition*. Springer-Verlag Heidelberg.

Deposit Name	Discovery Year	Major Metals	Country	Current Status	Mining Style	Inventory
LA COLOSA	2006	Au, Cu	Colombia	Feasibility - New Project	Open Pit	¹ 469Mt @ 0.95g/t Au; 14.3Moz Au
LOS SULFATOS	2007	Cu, Mo	Chile	Advanced Exploration	Underground	² 1.2Bt @ 1.46% Cu & 0.02% Mo; 17.5Mt Cu
BRUCEJACK	2008	Au	Canada	Development/Construction	Open Pit	³ 15.6Mt @ 16.1 g/t Au; 8.1Moz Au
KAMOA-KAKULA	2008	Cu, Co, Zn	Congo (DRC)	Feasibility - New Project	Open Pit & Underground	⁴ 1.3Bt @ 2.72% Cu; 36.5 Mt Cu
GOLPU	2009	Cu, Au	PNG	Feasibility - New Project	Underground	⁵ 820Mt @ 1.0% Cu, 0.70g/t Au; 8.2Mt Cu, 18.5Moz Au
COTE	2010	Au, Cu	Canada	Feasibility Study	Open Pit	⁶ 289Mt @ 0.90 g/t Au; 8.4Moz Au
HAIYU	2011	Au	China	Development/Construction	Underground	⁷ 15Moz Au
RED HILL-GOLD RUSH	2011	Au	United States	Feasibility Study	Open Pit & Underground	⁸ 47.6Mt @ 4.56 g/t Au; 7.0Moz Au
XILING	2016	Au	China	Advanced Exploration	Underground	⁹ 383Mt @ 4.52g/t Au; 55.7Moz Au

Source: after MinEx Consulting, May 2017

¹ Source: <http://www.mining-technology.com/projects/la-colosa>

² Source: <http://www.angloamerican.com/media/press-releases/2009>

³ Source: <http://www.pretivm.com/projects/brucejack/overview/>

⁴ Source: <https://www.ivanhoemines.com/projects/kamoa-kakula-project/>

⁵ Source: http://www.newcrest.com.au/media/resource_reserves/2016/December_2016_Resources_and_Reserves_Statement.pdf

⁶ Source: <http://www.canadianminingjournal.com/news/gold-iamgold-files-cote-project-pea/>

⁷ Source: <http://www.zhaojin.com.cn/upload/2015-05-31/580601981.pdf>

⁸ Source: https://mrdata.usgs.gov/sedau/show-sedau.php?rec_id=103

⁹ Source: http://www.chinadaily.com.cn/business/2017-03/29/content_28719822.htm

Table A: Tier 1 global copper and gold discoveries since 2006. This table does not purport to be exhaustive exclusive or definitive.

Grade Category	Resource Category	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	CuEq (%)	Cu (Mt)	Au (Moz)	CuEq (Mt)
Total >0.2% CuEq	Indicated	2,050	0.41	0.29	0.60	8.4	19.4	12.2
	Inferred	900	0.27	0.13	0.35	2.5	3.8	3.2

Table B: Alpala Mineral Resource Estimate updated effective 16 November 2018.

Notes:

- Mr. Martin Pittuck, MSc, CEng, MIMMM, is responsible for this Mineral Resource estimate and is an "independent qualified person" as such term is defined in NI 43-101.
- The Mineral Resource is reported using a cut-off grade of 0.3% copper equivalent calculated using [copper grade (%)] + [gold grade (g/t) x 0.6] based on a copper price of US\$2.8/lb and gold price of US\$1,160/oz.
- The Mineral Resource is considered to have reasonable potential for eventual economic extraction by underground mass mining such as block caving.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014).
- The MRE is reported on 100 percent basis.
- Values given in the table have been rounded, apparent calculation errors resulting from this are not considered to be material.
- The effective date for the Mineral Resource statement is 16 November 2018.

