

Cascabel Project Update

Additional High-Grade Copper and Gold Assays from 1194m to 1330m in Hole 5, 136m at 0.95% Cu and 0.96 g/t Au Further Extends High Grade Copper-Gold Zone at Alpala

The Board of SolGold (AIM code: SOLG) is pleased to provide the following project update for the Stage 1 drill program at the Alpala prospect within the Company's Cascabel copper-gold porphyry exploration project in northern Ecuador.

Highlights:

- **Copper gold assays for Hole 5 received with following high grade extension:**
 - 0.95 % Cu and 0.96 g/t Au from 1194 m to 1330m.**
- **Incorporating previous assay results reported 27th February, more extensive intersections at Alpala include the following grade or length upgrades:**
 - 672m grading 0.93 % Cu and 0.91 g/t Au (from 658m).**
 - 552m grading 1.03% Cu and 1.05 g/t Au (from 778m).**
 - 258m grading 1.27% Cu and 1.40 g/t Au (from 1052m).**
- **The length of hole interval assayed so far from 24m to 1330m depth yielded 1306m grading 0.62% Cu and 0.54 g/t Au.**
- **Drill rig has been mobilised to Drill site 6 and commencement of drilling is expected forthwith.**
- **Hole 6 is located approximately 300m north northwest of Hole 5 to target extension of the copper-gold discovery in Hole 5.**
- **Remaining assays from 1330m to 1370m expected within 14 days.**
- **Samples of currently available core may be viewed at the Prospectors and Developers Conference, Toronto, Canada at Booth #2745.**



SolGold CEO and Managing Director, Mr Alan Martin said:

“The continuation of high grade copper and gold results from 1194 metres is very pleasing. Not only do these results demonstrate the high grade tenor of the Alpala porphyry system but also the vertical extent of copper and gold mineralisation over 1.3 kilometres supports our view that there is a world class copper and gold deposit at Alpala. The exploration team has an ever strengthening view that the north east is where the heart of the mineralisation lies. The relationship between magnetics and copper and gold values is very compelling and really driving confidence in our drill targeting”.

SolGold’s General Manager of Exploration, Dr Bruce Rohrlach remarked:

“The predominance of chalcopyrite over the high copper content sulphide *bornite* within Hole 5, and the observed transitional potassic alteration, both support the interpretation that Hole 5 has drilled through the outer part of a strongly mineralised shell, raising the possibility of better grades in more central, hotter and bornite-bearing parts of the system expected to lie to the north east. We have a long way to go to understand the full geometry of mineralisation at Alpala, but we are making excellent progress with each new hole drilled”.

Drill Hole CSD-13-005

Hole CSD-13-005 at the Alpala porphyry prospect was sited to test the western flank of the 4km² Alpala Magnetic Complex at depth beneath drill holes 1 and 2. Holes 1 and 2 had intersected long runs of copper and gold mineralisation associated with porphyry copper-gold quartz stock-work and sheeted veins at the Alpala prospect. Copper and gold assay results to a depth of 869.68m in Hole 5 were reported on the 14th January and to a depth of 1194m on the 27th February.

Assay results from the interval 1194m to 1330m have been received, with the remaining assays from 1330m to 1370m expected within 14 days.

The newly assayed interval lies within the transitional potassic alteration zone (magnetite-chlorite alteration) developed within a diorite, and continues to exhibit porphyry copper-gold stock-work vein mineralisation and copper sulphides dominated by chalcopyrite. This zonation is following classic and predictable porphyry characteristics.

The newly assayed interval from 1194m to 1330m yielded an intersection of 136m grading 0.95 % Cu and 0.96 g/t Au (Table 1). Bulking previously reported assays with this new result, the following highly significant intersections are generated:

- 1306m grading 0.62% Cu and 0.54 g/t Au (from 24m);**
- 672m grading 0.93% Cu and 0.91 g/t Au (from 658m);**
- 552m grading 1.03% Cu and 1.05 g/t Au (from 778m); and**
- an even higher grade interval of 258m grading 1.27% Cu and 1.40 g/t Au from 1052m depth.**

Table 1 lists the key intersections to date from Hole 5, while figures 1 and 2 show the intersections on cross-section and graph. Figure 3 shows the location of the hole on the western margin of the Alpala Magnetic Complex.

Hole ID	Depth From	Depth To	Intersection (m)	Cu (%)	Au (g/t)	Comments
CSD-13-005	24	1330	1306m	0.62	0.54	Open at Depth
Incls	24	420	396m	0.32	0.17	
Incls	436	658	222m	0.26	0.11	
Incls	658	1330	672m	0.93	0.91	Open at Depth
Incls	778	1330	552m	1.03	1.05	Open at Depth
Incls	1194	1330	136m	0.95	0.96	Extension Assays
Incls	1052	1310	258m	1.27	1.40	High Grade
Incls	1096	1146	50m	1.80	2.26	High Grade

Table 1 – Intersections from hole CSD-13-005 at the Alpala Prospect.

Recent detailed logging of alteration zones in Hole 5 has refined the interpretation of alteration zonation (Figure 1).

See Figures 1-3 below.

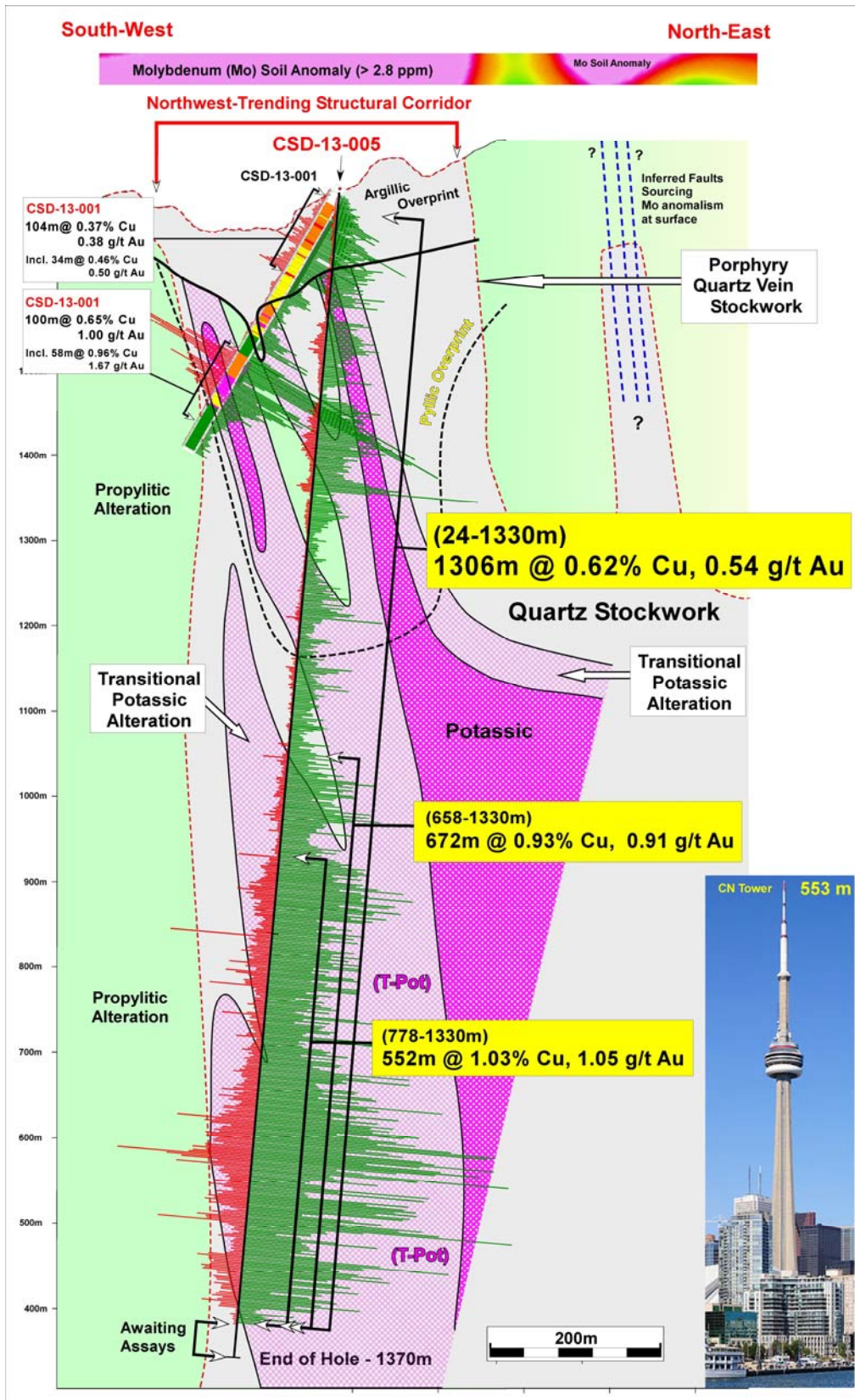


Figure 1 – Assay section for Holes 1 and 5. Continuous porphyry copper-gold mineralisation has been drilled from near surface to end-of-hole, over a vertical rock column exceeding 1300m.

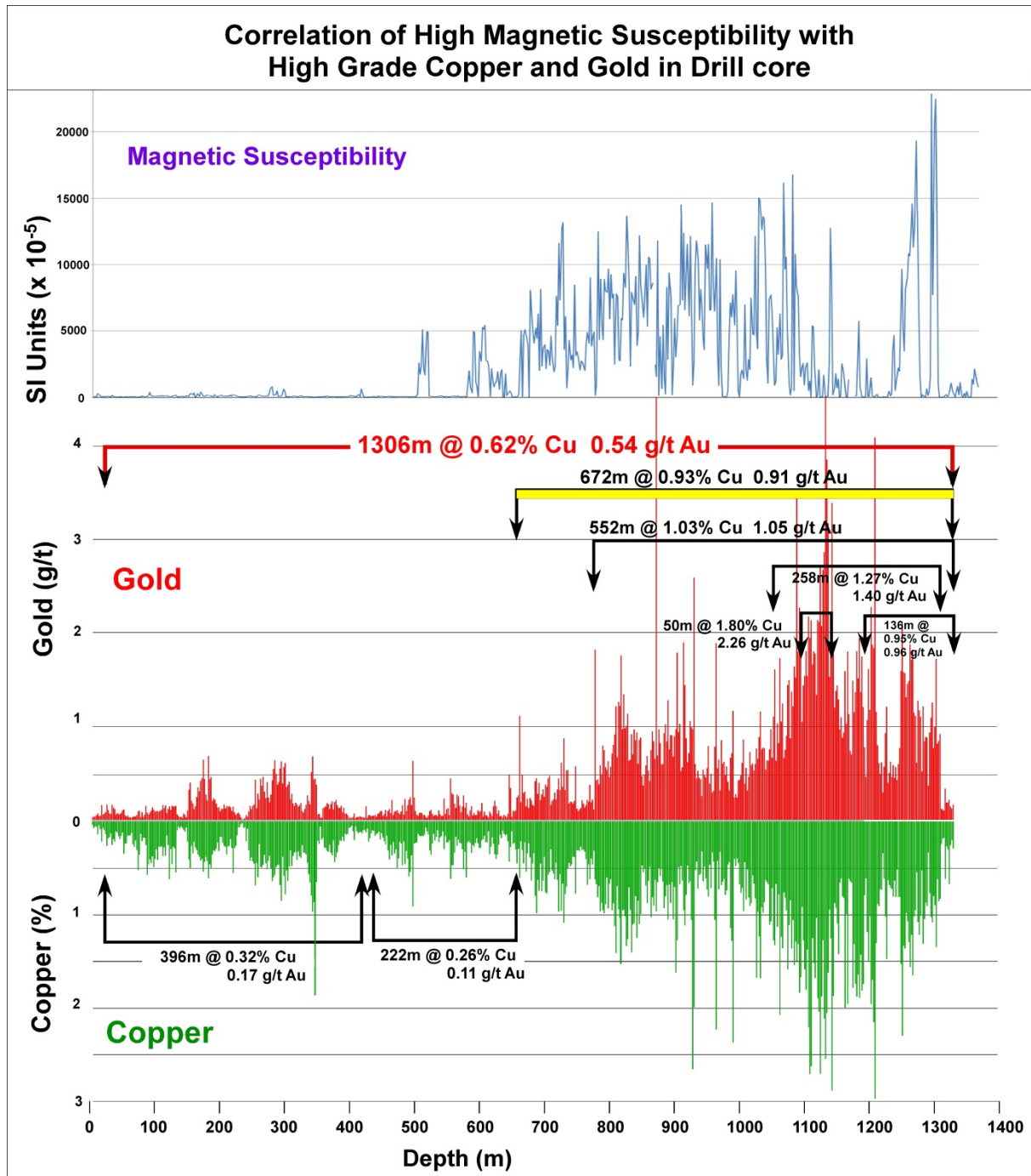


Figure 2 – Histogram illustrating increase in copper, gold and magnetic susceptibility of drill core with increasing depth in hole CSD-13-005.

Hole 6 Mobilisation

Mobilisation of the drill rig from Hole 5 to Hole 6 is near completion, with drilling anticipated to commence forthwith. The drill site for Hole 6 is located 320m northwest of Hole 5 (Figure 3). Hole 6 is sited to test the north-ward extension of porphyry mineralisation that has been discovered in Holes 1, 2 and 5 at Alcala, in an area of strong and coincident molybdenum (Mo) and gold (Au) soil anomalism that lie along structural strike from Hole 5. Hole 6 will also test the Alcala Magnetic Complex at depth by drilling northeast-ward, orthogonally into the flank of the Alcala regional magnetic high.

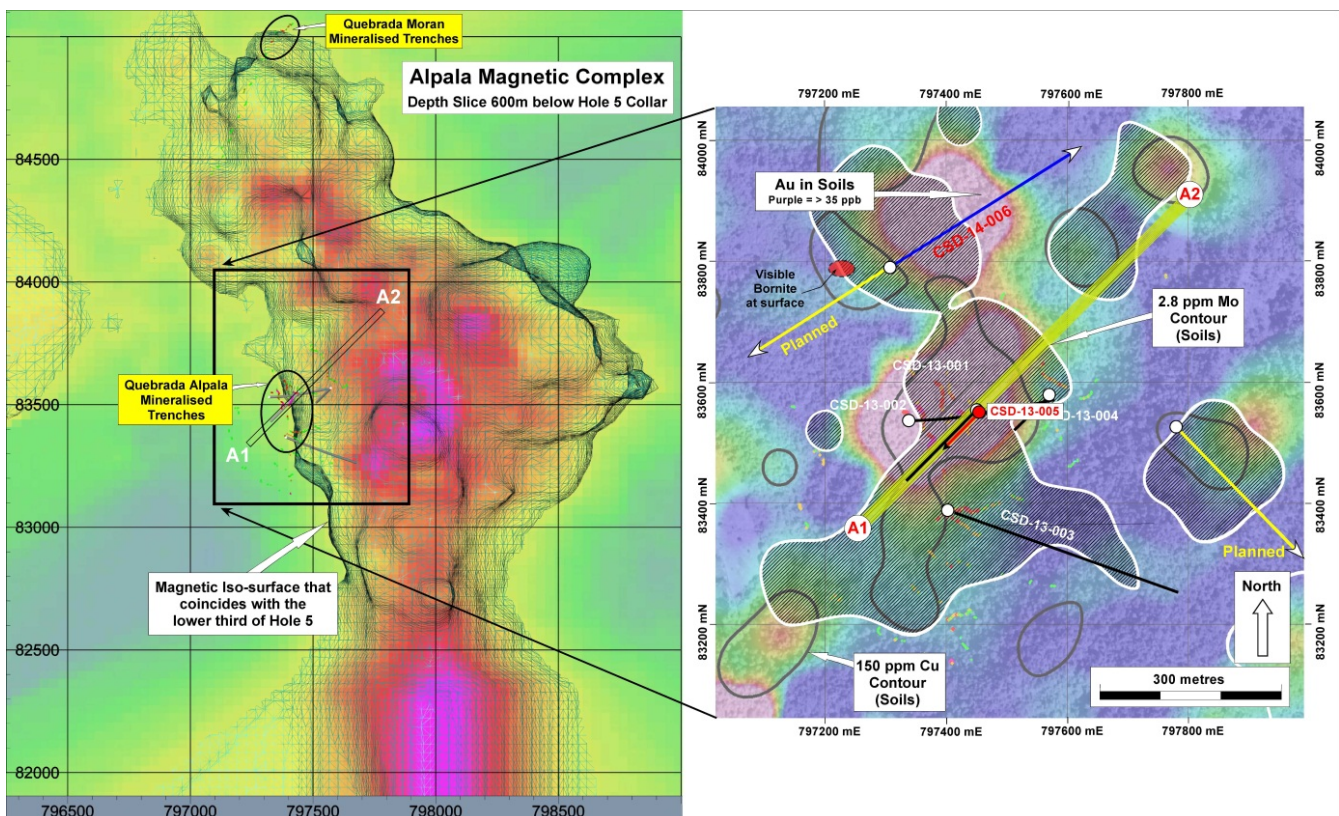


Figure 3 – Location of Holes 5 and 6 on the western margin of the Alcala Magnetic Complex (left panel) and relative to Cu, Au, Mo soil anomalies (right panel). Hole 6 is collared 320m NNW of the Hole 5 collar.

Prospectors and Developers Conference - Toronto

SolGold are currently attending the PDAC 2014 conference (Prospectors and Developers Association of Canada) in Toronto from the 2nd-5th March. Poster displays and samples of drill core from the Alcala prospect can be viewed at the DGR Global booth (#2745) in the Investors Exchange hall.

About Cascabel

The Cascabel project is located in north-western 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 tonne 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.

As recently announced SolGold has exercised its right to increase its ownership of Exploraciones Novomining S.A. ("ENSA") from 50% to 85%. ENSA is an Ecuadorean registered company which holds 100% of the Cascabel concession in northern Ecuador. Cornerstone will hold the remaining 15% of ENSA.

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
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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 JV 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 is being considered at Kuma, while a JV partner is being sought for the Fauro project to pursue drilling of gold-copper targets defined in the 2011 exploration program.

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 Alternative Investment Market (AIM) in 2006, under the AIM code 'SOLG' and currently has a total of 603,895,309 fully-paid ordinary shares, 19,608,000 options exercisable at 50p, 11,000,000 options exercisable at 28p, 8,000,000 options exercisable at 14p, and 3,000,000 options exercisable at 6p on issue.