



2 December 2013

SolGold Plc
("SolGold" or the "Company")

Cascabel Project Update – Alpala Prospect
Drill Hole CSD-13-005 Intersects Significant Visual
Porphyry Copper Mineralisation Over 345 Metres to Date

The Board of SolGold (AIM code: SOLG) is pleased to report visual observations for drill hole CSD-13-005 at the Alpala prospect within the Cascabel Project, the Company's copper-gold porphyry exploration project in northern Ecuador (refer Figure 1). Note that drill hole CSD-13-005 was previously known as CSD-13-004A (RNS dated 13 November).

Highlights:

- **Pervasive quartz veining and intermediate to strong copper sulphide mineralisation has been observed in the upper part of hole CSD-13-005:**
 - **345m interval (75-420m) containing porphyry copper-gold-related quartz veining which is open at depth;**
 - **Intermediate to well-mineralised chalcopyrite and bornite observed from 249m to 349m.**
- **Higher-grade intervals expected to be associated with zones of more intense sheeted and quartz stockwork veining.**
- **Drill hole CSD-13-006 has been sited and the drill pad ready for mobilisation of the drill rig once hole CSD-13-005 is complete.**

Metallogenic Belts and Magmatic-Hydrothermal Deposits in Ecuador

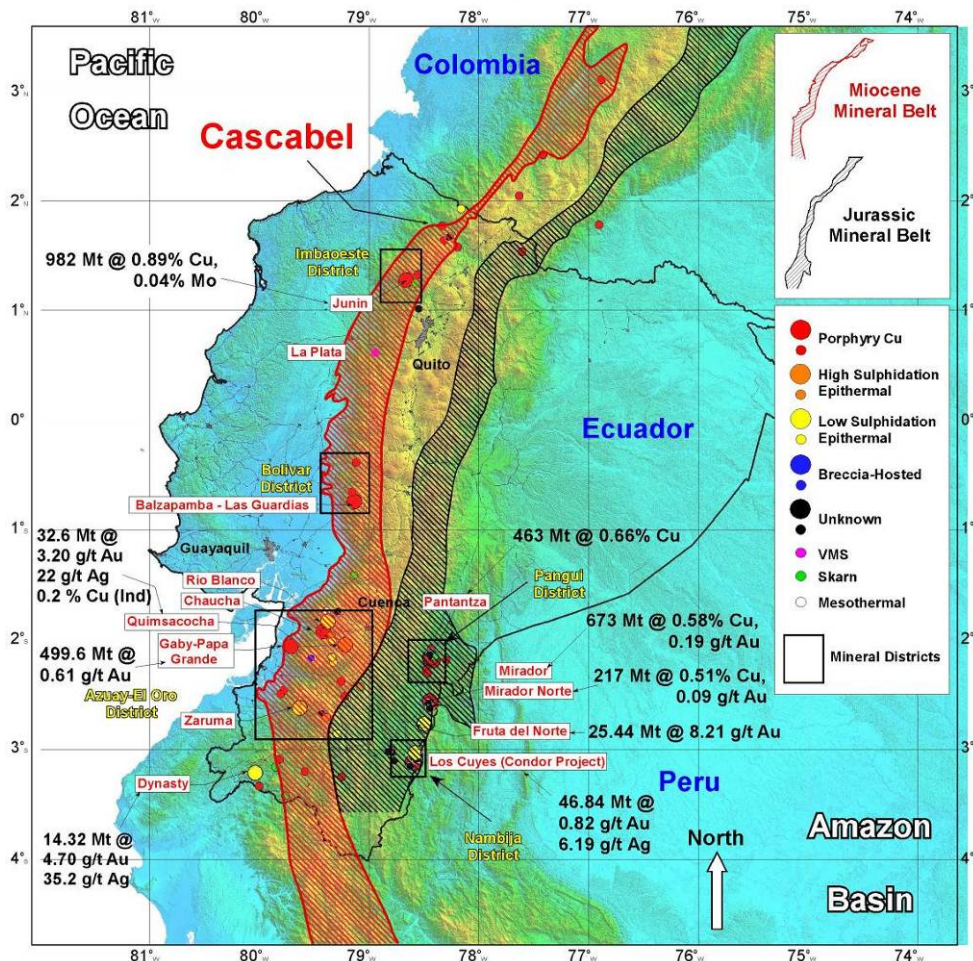


Figure 1 – Location map of Cascabel Project and showing major mineral deposits in Ecuador.

SolGold Managing Director, Mr Alan Martin said “I have just visited the Cascabel Project, seen the core from drill hole CSD-13-005 first hand and can confirm that it indeed does look very exciting”.

Drill Hole CSD-13-005 Visual Summary

Drill hole CSD-13-005 was sited to test the depth extension of the intersections previously obtained in the first drill hole at Alpala, CSD-13-001. Hole CSD-13-001 was drilled towards the southwest with a 60 degree dip angle, while hole CSD-13-005 is being drilled with the same azimuth but at a much steeper dip angle of 85 degrees. CSD-13-005 is being drilled to undercut the mineralised zones in hole CSD-13-001, and to provide a deeper test of the mineralised corridor that has been identified to trend through the Alpala Creek region.

The current planned depth for drill hole CSD-13-005 is 850m. As of Thursday 28th November, the current depth was 454.7m and a further drill hole length of 400m is envisaged, or further while the hole is in mineralisation

The geology in the interval from surface to 420m down hole has been reviewed on site during the past week, and the Company is pleased to announce the following observations:

- Various copper sulphide minerals (chalcopyrite, bornite and chalcocite) have been observed in the interval from surface to 420m depth, the current depth at which the core has been observed at the Rocafuerte site office.
- The interval from 75m depth to 420m depth exhibits significant intensities of stockwork and locally sheeted quartz veining, with logged vein densities varying from 2 to 35 veins per metre, and with average logged vein densities between 137.2m and 395.6m being over 10 quartz veins per metre (examples of some more highly veined intervals are shown in Figures 8, 9 and 10).
- Chalcopyrite is the most dominant observed copper-sulphide mineral, occurring as inclusions within many of the quartz veins as well as disseminations in the host diorite intrusion. Bornite and chalcocite (copper-sulphide minerals with 63.3% and 79.8% copper content respectively) are also observed in several zones (from 137.2m to 226m and from 256.9m to 349.6m).
- The interval from 75m to 420m is characterised by potassic alteration, with abundant magnetite relic in the drill core. The potassic alteration has been strongly overprinted by lower-temperature phyllic alteration that has converted magnetite to hematite and potassium feldspar to sericite micas.
- Whilst grades are unknown at present, the Company is pleased with the visual observations from hole CSD-13-005 to date.

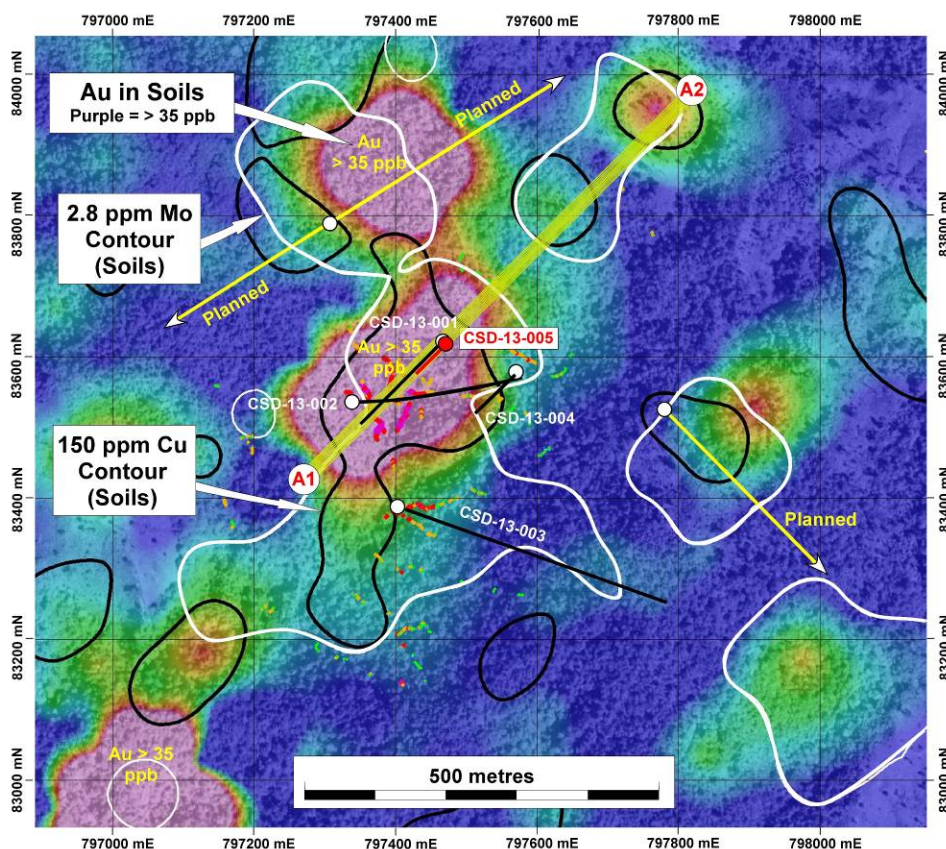


Figure 2 - Map of current hole CSD-13-005 relative to holes CSD-13-001, -2, -3 and -4, and gold, copper, molybdenum soil anomalies. The location of the NE-SW cross-section in Figure 3 is plotted as A1-A2.

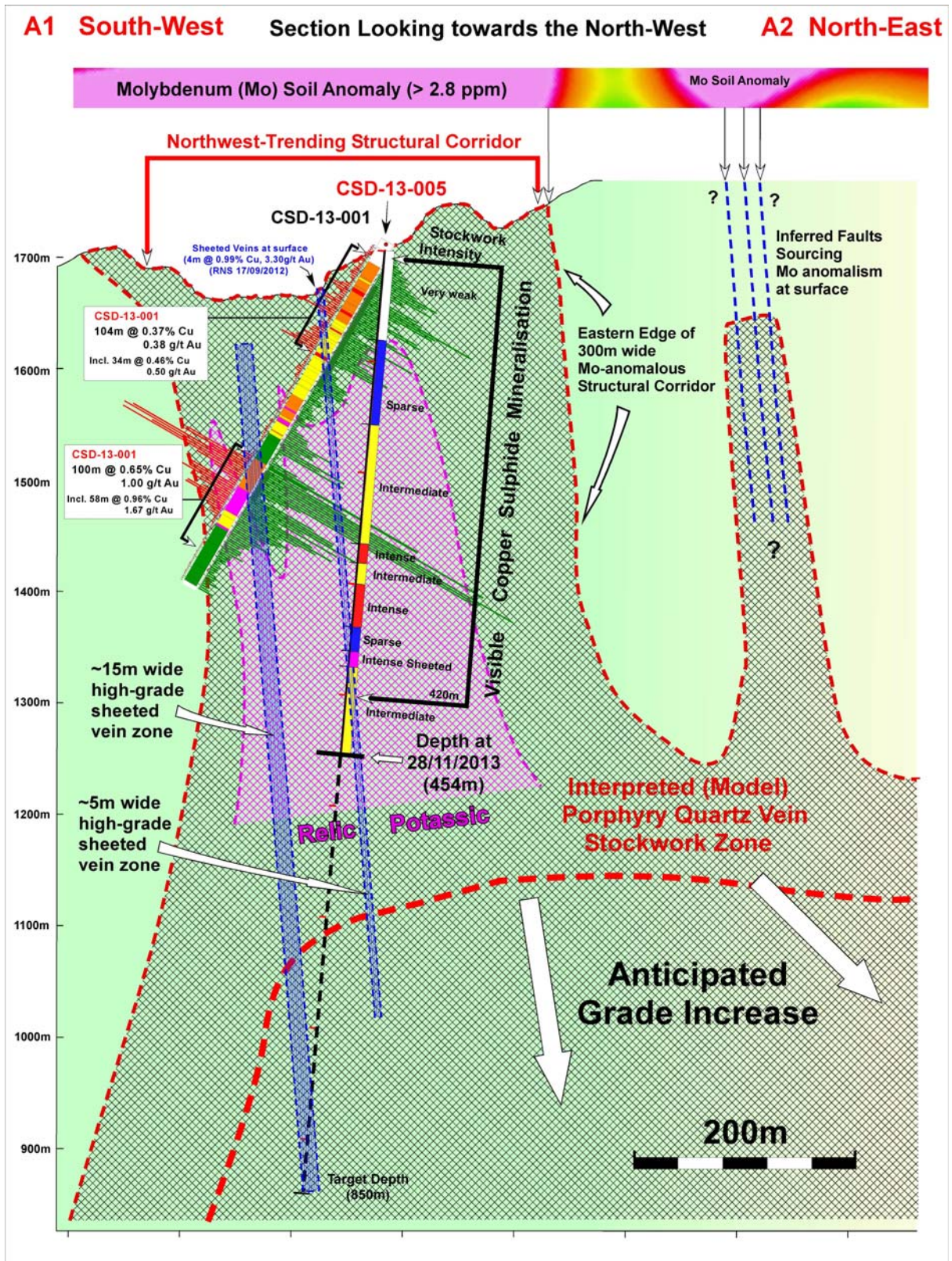


Figure 3 – Northeast-Southwest cross-section through holes CSD-13-001 and CSD-13-005 (in progress) at the Alpala porphyry copper-gold prospect. See Figure 2 for cross-section location. Quartz veining and visible copper sulphides have been identified below the RL (relative level) of the lower intersection in hole CSD-13-001 (100m @ 0.65% Cu, 1.0 g.t Au). Hole CSD-13-005 is one of a number of holes that will test the deeper parts of the Alpala Magnetic Complex.



Figure 3 above is a northeast-southwest cross-section through holes CSD-13-001 and CSD-13-002 at Alpala and illustrates the concept and target that is being tested with hole CSD-13-005.

Present interpretations are that Molybdenum (Mo) soil anomalies in the Alpala Creek area, supported by more restricted Cu and Au soil anomalies, define an approximately 300m-wide northwest trending structural corridor that appears to be mineralised at shallow levels. In the present area of drilling at Alpala, there appears to be at least two, and may be several more, steep zones of sheeted porphyry quartz veins that exhibit higher grade, with the intervening areas being characterized by less-aligned and more stockwork-like veins. These steep zones of sheeted veins and their envelopes of stockwork veins are likely controlled by northwest-trending structures and collectively define a 300m-wide mineralised corridor at shallow levels (see Figure 3) that may extend over a strike length of around 600m at surface based on the strike extent of a major associated molybdenum soil anomaly.

The mineralised corridor exhibits strong Mo anomalism in surface soil samples since Mo is a relatively immobile element in the soil profile (Figure 3).

The northwest-trending faults and sheeted sets of well-mineralised porphyry quartz veins are interpreted to tap into an inferred larger body of mineralisation at depth that is the principal target for the current hole (CSD-13-005) and the next hole (CSD-13-006) that will be sited north of holes 1 and 5 and which will test a coincident molybdenum and gold anomaly at surface (Figure 2).

Other high quality targets exist on the southeastern, northeastern and northwestern parts of the Alpala magnetic complex.

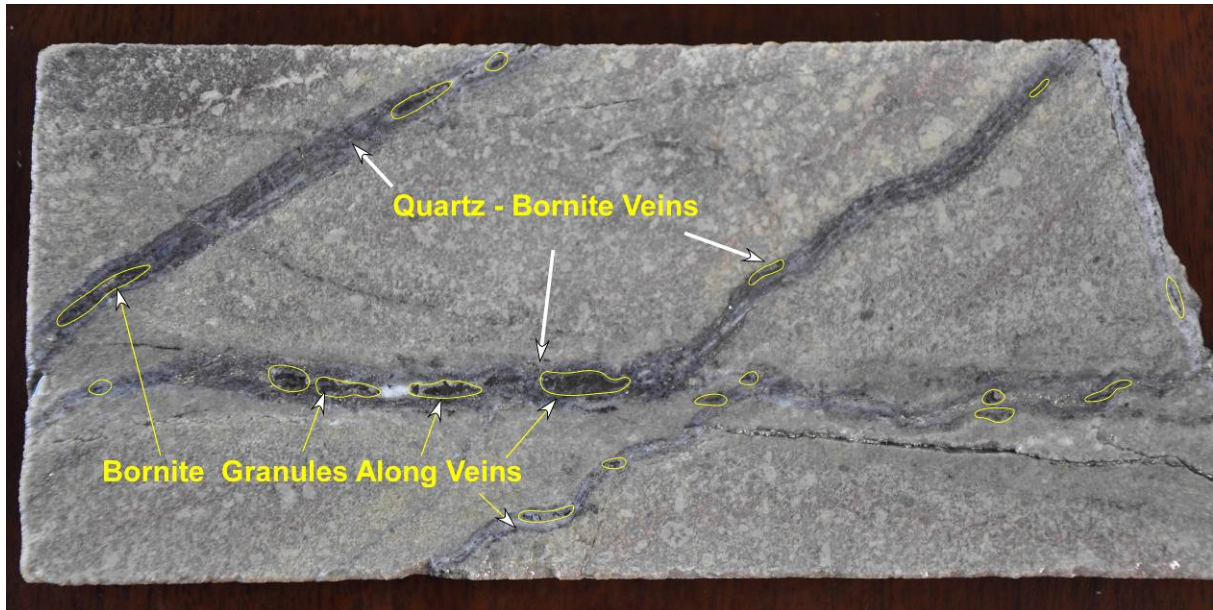


Figure 4 – Drill core from hole CSD-11-005 from the Alpala prospect (113.40m depth), showing disseminated aggregates and granules of bornite along quartz-bornite veins.

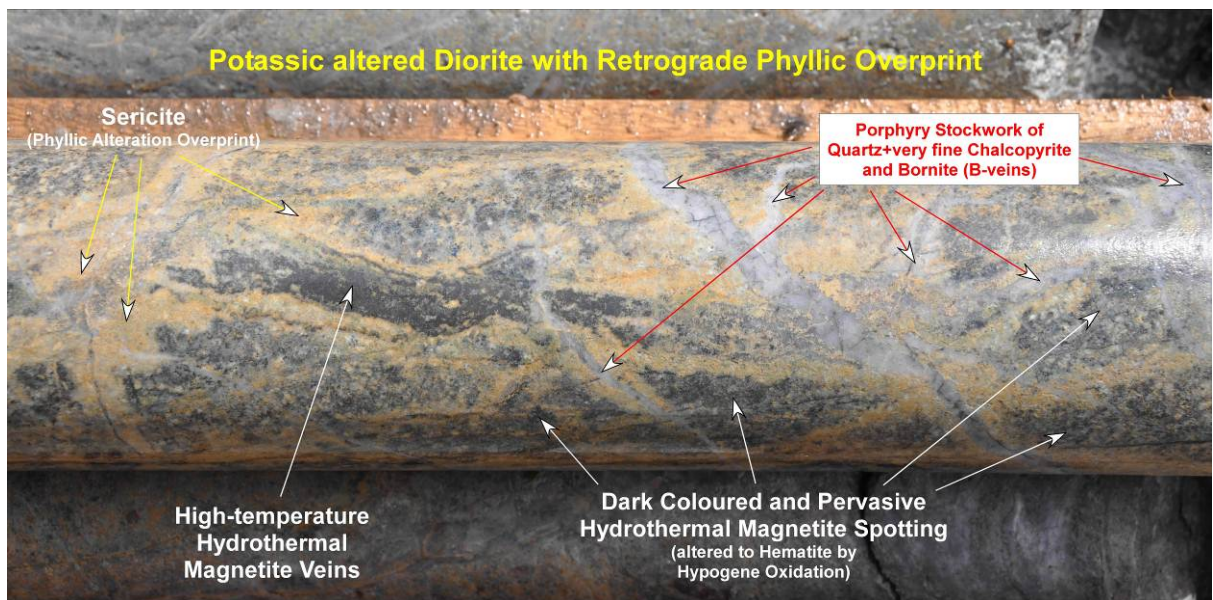


Figure 5 – Drill core from hole CSD-11-005 from the Alpala prospect (171m depth), showing strongly potassic-altered diorite with early high-temperature magnetite veins and overprinting porphyry quartz-chalcopyrite-bornite ‘B-veins’ and a late phyllic (sericite) alteration overprint.

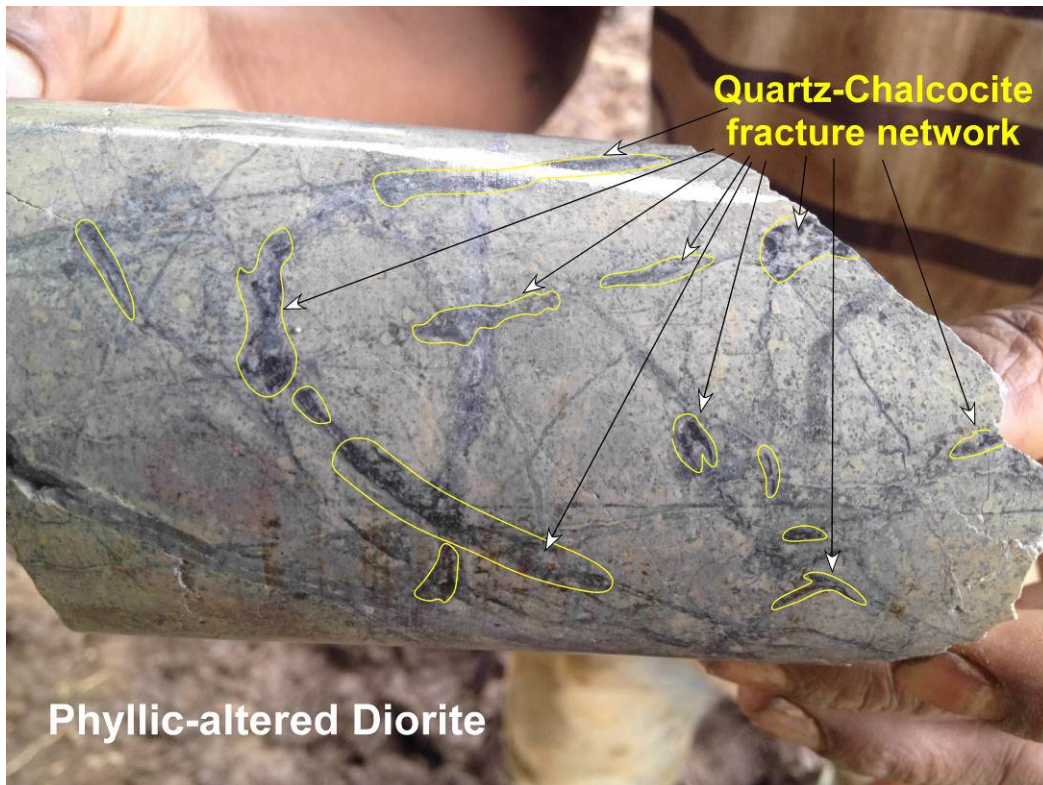


Figure 6 – Fine networks of quartz-chalcocite veinlets at 201.22m depth in hole CSD-13-005.

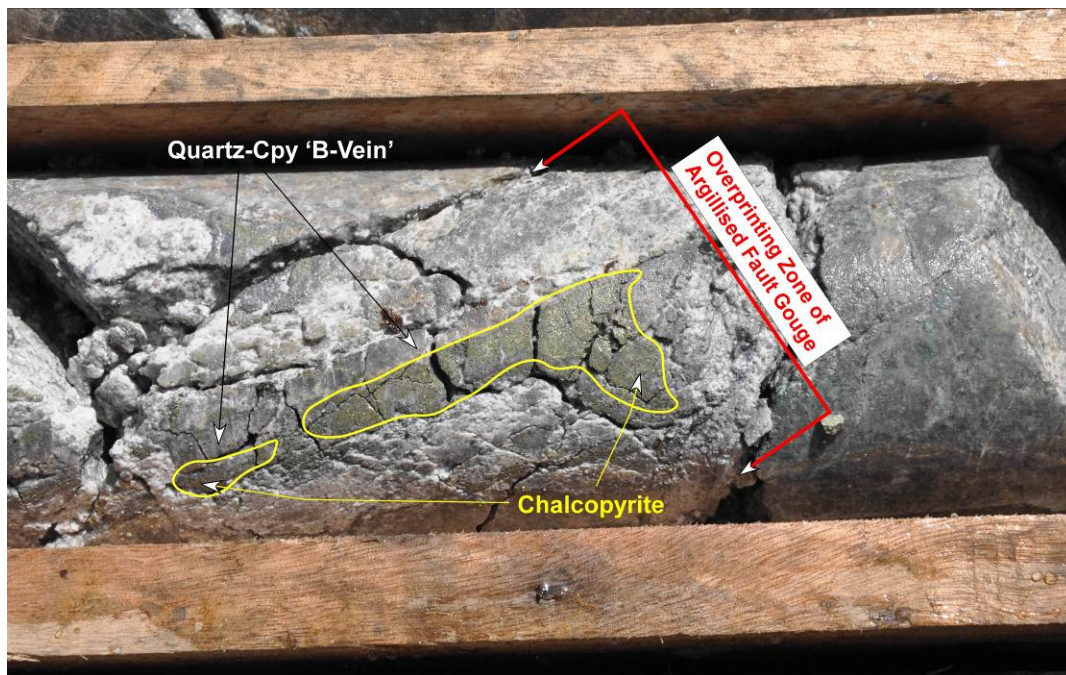


Figure 7 – Drill core from hole CSD-11-005 from the Alpala prospect (258m depth). Coarse aggregate of chalcopyrite mineralisation within a quartz 'B-vein', with fault gouge and attendant argillic alteration along the margins of the vein.



Figure 8 – Drill core from hole CSD-11-005 from the Alpala prospect (around 179.03m depth), showing typical high density of mineralised cross-cutting quartz vein networks within potassic-altered diorite intrusion which is affected by retrograde phyllic overprint (defined by the tan-coloured sericite alteration and the conversion of magnetite to hematite).



Figure 9 – Drill core from hole CSD-11-005 from the Alpala prospect (around 295-298.55m depth), showing sheeted and cross-cutting sets of porphyry quartz-chalcopyrite veins in a strongly potassic-altered diorite protolith (the potassic alteration has a phyllic alteration overprint).



Figure 10 – Drill core from hole CSD-11-005 from the Alpala prospect (around 347.47m depth). Intensely sheeted porphyry-related quartz ‘B-veins’ with very fine grained disseminated bornite mineralisation and coarse chalcopyrite mineralisation in cross-cutting albite-chalcopyrite veins.

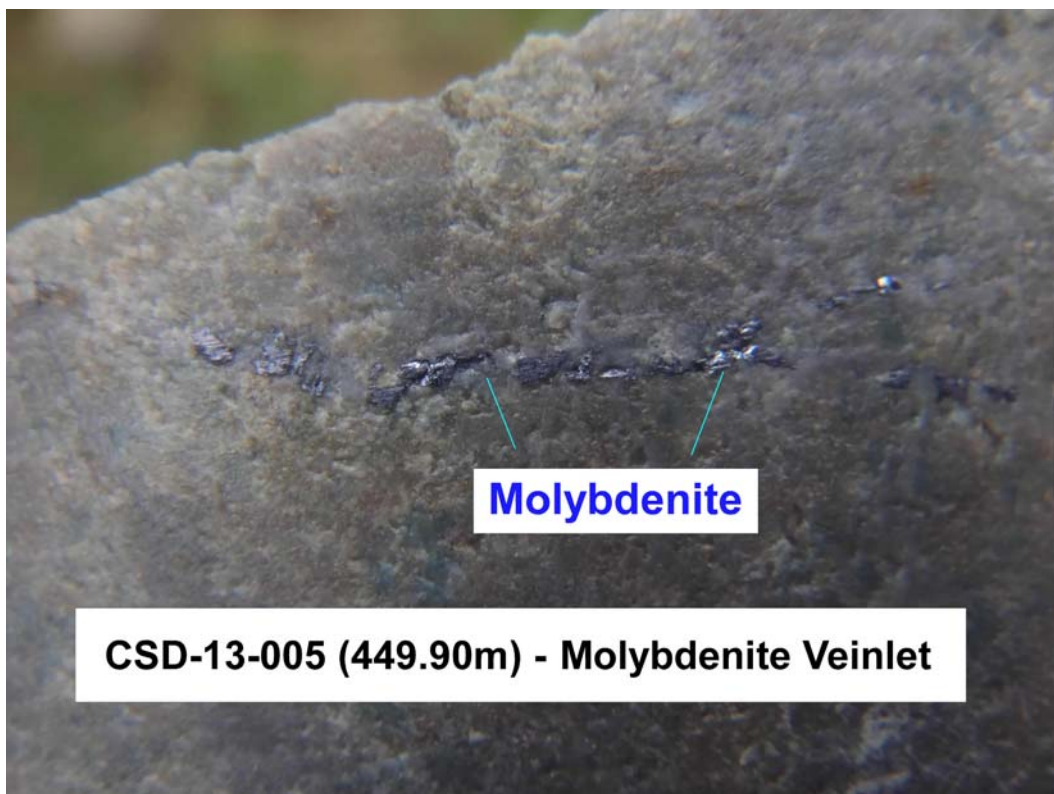


Figure 11 – Drill core from hole CSD-13-005 from the Alpala prospect showing molybdenite mineralisation at 449.90m depth.



Figure 12 – Drill core from hole CSD-11-005 from the Alpala prospect laid out in the storage yard of the Rocafuerte field office at Cascabel, ready for inspection by SolGold CEO Alan Martin, GM Exploration Bruce Rohrlach and Cornerstone Senior Geologist Bayardo Rosero (pictured).

About Cascabel

SolGold holds a 50% interest, and can earn up to 85% interest, in Exploraciones Novomining S.A. (“ENSA”), an Ecuadorean registered company, which holds 100% of the Cascabel concession in northern Ecuador. Cornerstone Capital Resources Inc. (“Cornerstone”) currently holds the other 50% of ENSA.

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 60 km 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.

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 25 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



Contacts:

Mr Alan Martin

SolGold Plc (CEO and Managing Director)
amartin@solgold.com.au

Tel: +61(0)488 223 828

Mr Nicholas Mather

SolGold Plc (Executive Director)
nmather@solgold.com.au

Tel: +61 (0)7 3303 0665

Mr Karl Schlobohm

SolGold Plc (Company Secretary)
kschlobohm@solgold.com.au

Tel: +61 (0)7 3303 0661

Mr Ewan Leggat / Ms Katy Birkin

SP Angel Corporate Finance LLP (Broker)
Ewan.leggat@spangel.co.uk

Tel: +44 (0)20 3463 2260

Mr Stephen Weir

RFC Ambrian Limited (Nominated Advisor)
stephen.weir@rfcambrian.com

Tel: +61 (0)2 9250 0048

Mr Dominic Barretto / Ms Anna Legge

Yellow Jersey PR Limited (Financial PR)
dominic@yellowjerseypr.com

Tel: +44 (0)20 3664 4087

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 sea 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 JV partner is being sought for the Fauro project to pursue drilling of gold-copper targets defined in the 2011 exploration program.

SolGold's strategy is to be an integrated gold and copper discoverer, developer and miner.



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.