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

Strategy Update

SolGold to Apply the Cascabel Copper Gold Porphyry Exploration Blueprint to Become Dominant Explorer

38 New Mineral Concessions Granted Across Ecuador

The Board of SolGold (AIM code: SOLG) is pleased to provide an update on its strategy to become a globally important copper company by expanding the Company's copper-gold exploration portfolio in Ecuador.

Nick Mather, CEO of SolGold plc, said: **"SolGold has spent three and half years and \$47m on Cascabel, and now has a defined copper gold porphyry exploration blueprint for the application and operation of efficient exploration programmes for world class copper porphyry mineral systems throughout Ecuador.**

We are applying that blueprint throughout the Nation, on 38 new granted licences covering 14 new porphyry centres, and there are another 8 areas we are targeting. Ecuador's underexplored status, the prospectivity and the upside in the copper market all present SolGold with an extraordinary opportunity to grow the Company into a copper resource explorer, developer and miner of global significance. We believe that there is potential in Ecuador for several projects that will ultimately match or exceed the Cascabel project and SolGold has taken steps to secure these opportunities with a well organised and thorough research and acquisition program.

The geology of the Andean Copper Belt as it passes north from Chile through Peru and into Ecuador is broadly consistent and thus SolGold is confident that there will be a number of new discoveries on the new licences."

A comprehensive, nation-wide desktop study has been undertaken by SolGold's independent experts to analyse the available regional topographic, geological, geochemical and gravity data over the prospective magmatic belts of Ecuador, with the aim of understanding the controls to copper-gold mineralization on a regional scale. SolGold has delineated and ranked regional exploration targets for the potential to contain world class copper-gold deposits.

As a result of this study, SolGold has formed and initially funded, four new 100% owned subsidiary companies in Ecuador; Carnegie Ridge Resources S.A., Green Rock Resources S.A., Cruz del Sol S.A. and Valle Rico Resources S.A. The objective of these subsidiaries is to apply the exploration blueprint developed at Cascabel to discover more porphyry copper-gold deposits in Ecuador. Each subsidiary deals with a geographic region of Ecuador. Each subsidiary is resourced with geologists and equipment to effect rapid review and early stage exploration. Early reconnaissance results are expected in the next quarter.



38 new mineral concessions have been granted to date, totalling at least 128,760 km² and form 14 project areas over individual porphyry systems:

1. Rio Amarillo
2. Chillanes
3. San Antonio
4. Salinas, Salampe, Yatubi
5. Agustin
6. Sharug
7. Porvenir
8. Helipuerto
9. Blanca Nieves
10. Sacapala
11. Timbara
12. PIÑAS
13. Chical
14. Rio Mira

The new concessions are all located on the gold-rich northern section of the prolific Andean Copper belt which is renowned as the production base for nearly half of the world's copper, (**Figure 1**). SolGold holds a 100% interest in all of the concessions through its Ecuadorean subsidiary companies.

Visible copper porphyry mineralisation has been observed outcropping on several of the new licences and shows similarities to other world class projects. Copper sulphide mineralisation at Sharug is similar to outcropping mineralisation at the Los Bronces project in Chile (see **Figure 2**).

SolGold has several more applications lodged that await granting, covering several more targets.

FURTHER INFORMATION:

A regional desktop study was undertaken across Ecuador between 2015 and 2017 to identify and rank areas for their potential to host large copper and gold deposits. SolGold's consultants analysed data consisting of geologic maps (one million and 1:500,000 scales), satellite (SRTM) topography data, regional geochemical stream sediment results, gravity results from a proprietary database and geoscientific data available in the public domain. The data was imported into a software package that allows for the compilation and 3D visualization of data sources from a variety of different formats.

The primary objectives of the data review and interpretation were to: 1) study the regional topographic, geological, geochemical and gravity data for the magmatic belts of Ecuador; 2) compile and interpret the data to understand the controls to copper-gold mineralization at a regional scale; 3) create topographic, geologic and gravity lineament interpretations; and 4) delineate and rank the regional exploration targets for their potential to contain large Cu-Au deposits.

Targets were ranked subjectively by the potential to host large Cu and Au deposits or Au-rich deposits that are related to Tertiary and Mesozoic intrusions and volcanic sequences. The targets typically lie near zones of structural complexity that are associated with intrusive complexes and other zones of geological interest. Most of the targets occur near faults, geological lineaments and gradients observed in processed satellite (SRTM) topography and ground gravity data. Many targets in the Western Cordillera are supported by anomalous Cu-Mo-Au stream sediment results provided by the Ecuadorian government. Targets were scored on the basis of structural-geological complexity, Cu-Au mineralization potential, proximity to satellite topographic anomalies, and gravity expression.



Final rankings of the Cu-Au targets included tenement availability and social and environmental considerations.

Many of the unclaimed targets were followed up with reconnaissance field visits by SolGold geologists. Those targets confirmed to be prospective, and other regions of interest known to the Ecuadorian team, formed the basis for tenement applications. Thirty-five concessions have been granted to date with others still under consideration.

Details of the 38 new concessions are summarized in **Table 1**. The concessions are prospective for porphyry systems, and /or skarn and breccia-pipe Cu-Au and epithermal Au deposit types. Examples of mineralized rocks found in two of the project areas are shown in **Figures 2 and 3**.

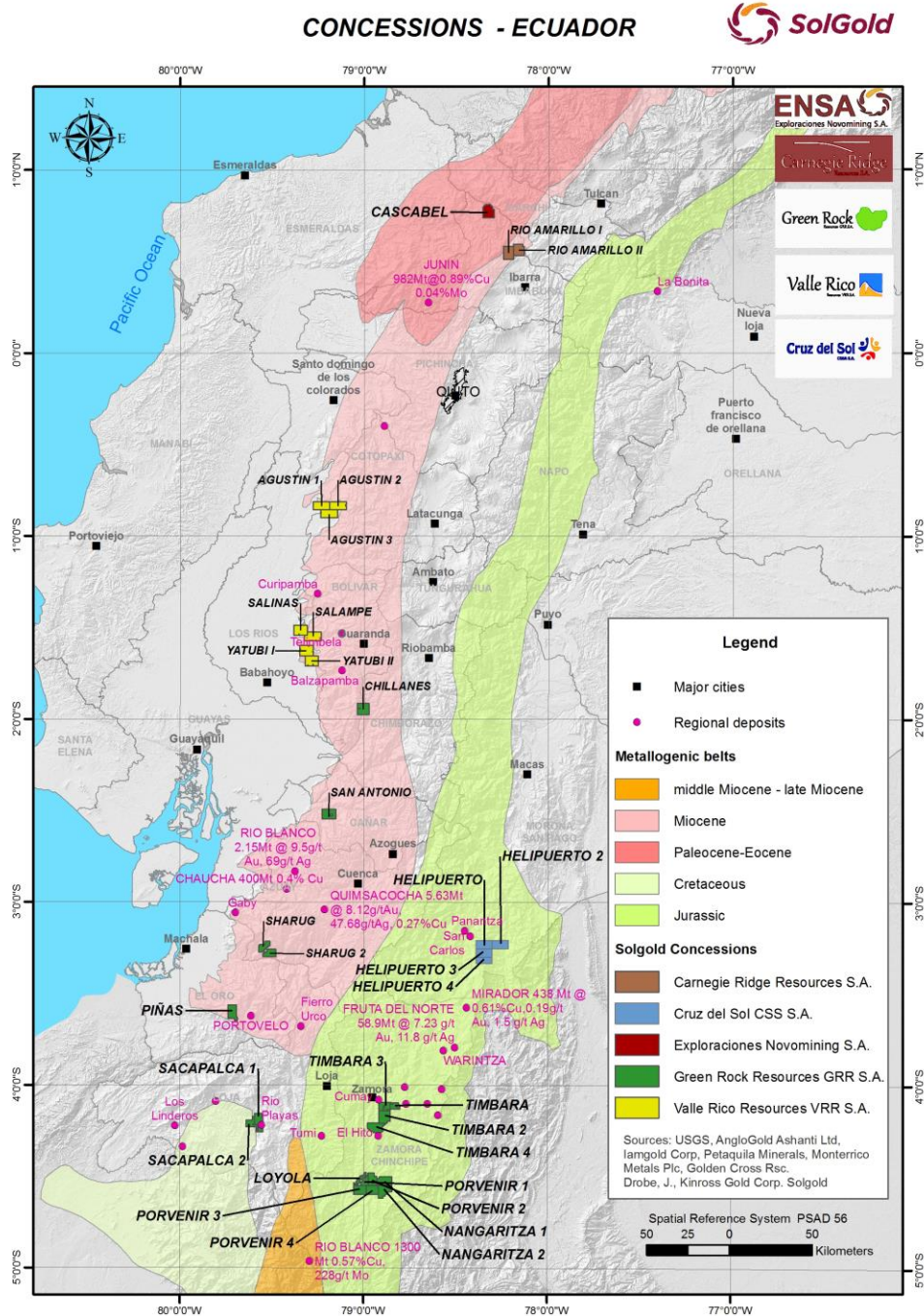


Figure 1: Major magmatic belts of Ecuador, showing the locations of concessions granted to SolGold subsidiary companies and major gold and copper deposits.

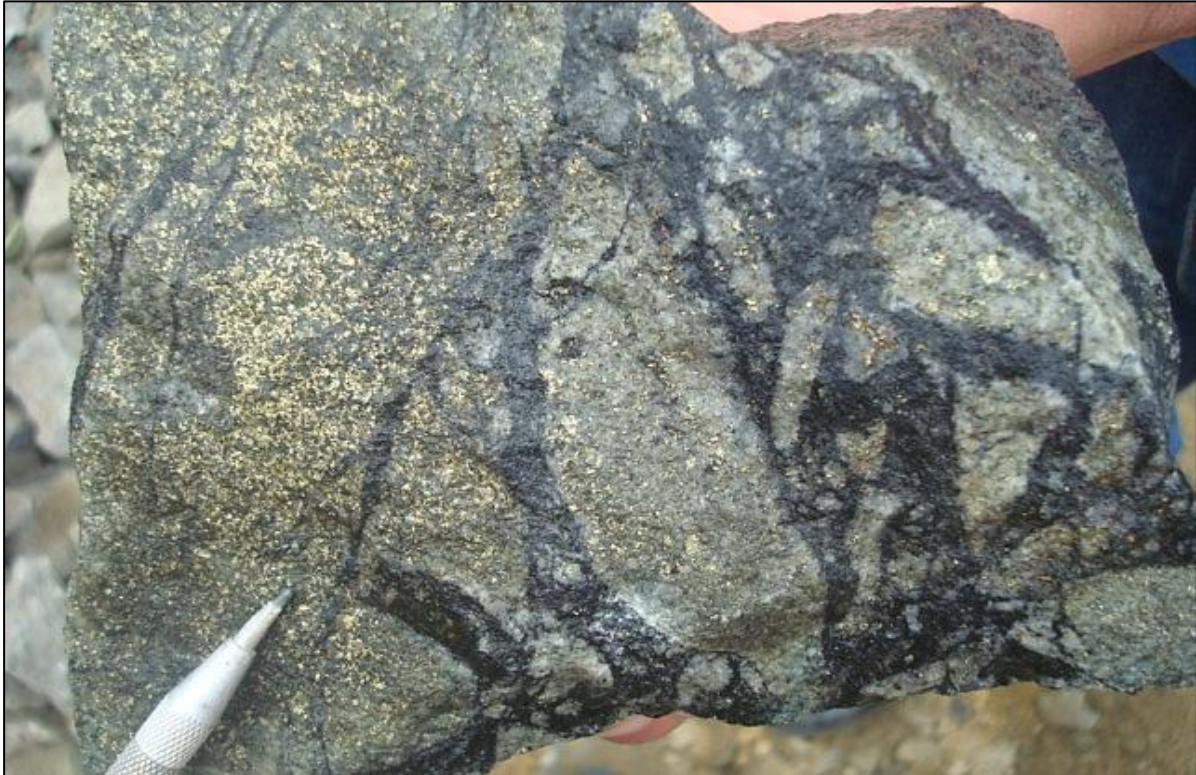


Figure 2: Hydrothermal breccia from Sharug project. The clasts consist of siliceous diorite with disseminated chalcopyrite. The breccia matrix contains tourmaline, magnetite and chalcopyrite and is reminiscent of surface mineralisation at the giant Los Bronces Project in Chile.



Figure 3: Potassic altered diorite outcrop from Porvenir project exhibiting disseminated chalcopyrite and strong secondary Cu mineralization, as indicated by fractures filled by malachite (green mineral).

	Project	Concessions	SolGold Subsidiary	Province
1	Rio Amarillo	Rio Amarillo 1	CARNEGIE RIDGE	Carolina
		Rio Amarillo II	CARNEGIE RIDGE	Carolina
2	Chillanes	Chillanes	GREEN ROCK	Pallatanga
3	San Antonio	San Antonio	GREEN ROCK	San Antonio
4	Salinas, Salampe, Yatubi	Salampe	VALLE RICO	Ricaute
		Salinas	VALLE RICO	Ricaute
		Yatubi I	VALLE RICO	Caluma
		Yatubi II	VALLE RICO	Montalvo
5	Agustin	AGUSTIN 1	VALLE RICO	VALENCIA
		AGUSTIN 2	VALLE RICO	GUASAGANDA
		AGUSTIN 3	VALLE RICO	LA MANA
6	Sharug	Sharug	GREEN ROCK	SAN RAFAEL DE SHARUG
		SHARUG 2	GREEN ROCK	SAN RAFAEL DE SHARUG
7	Porvenir	Porvenir 1	GREEN ROCK	El Porvenir del Carmen
		Porvenir 2	GREEN ROCK	El Porvenir del Carmen
		Porvenir 3	GREEN ROCK	El Porvenir del Carmen
		Porvenir 4	GREEN ROCK	El Porvenir del Carmen
		Loyola	GREEN ROCK	El Porvenir del Carmen
		NANGARITZA 1	GREEN ROCK	ZURMI
		NANGARITZA 2	GREEN ROCK	ZURMI
8	Helipuerto	HELIPUERTO	CRUZ DEL SOL	SAN CARLOS DE LIMON
		HELIPUERTO 2	CRUZ DEL SOL	SAN MIGUEL DE CONCHAY
		HELIPUERTO 3	CRUZ DEL SOL	SAN CARLOS DE LIMON
		HELIPUERTO 4	CRUZ DEL SOL	SAN CARLOS DE LIMON
9	Blanca Nieves	BLANCA	CARNEGIE RIDGE	Jijon y Caamaño
		NIEVES	CARNEGIE RIDGE	Jijon y Caamaño
10	Sacapala	SACAPALCA 1	GREEN ROCK	SAN CARLOS DE LAS MINAS
		SACAPALCA 2	GREEN ROCK	CHANGAIMINA
11	Timbara	Timbara	GREEN ROCK	CARIAMANGA
		TIMBARA 2	GREEN ROCK	ZAMORA
		TIMBARA 3	GREEN ROCK	ZAMORA
		TIMBARA 4	GREEN ROCK	ZAMORA
12	PIÑAS	PIÑAS	GREEN ROCK	PIÑAS
13	Chical	CHICAL 1	CARNEGIE RIDGE	El Chical
		CHICAL 2	CARNEGIE RIDGE	El Chical
		CHICAL 3	CARNEGIE RIDGE	El Chical
14	Rio Mira	RIO MIRA	CARNEGIE RIDGE	Jijon y Camano

Table 1: Summary of SolGold Subsidiary Company Projects and Granted Concessions in Ecuador.

Qualified Person:

Information in this report relating to the exploration results is based on data reviewed by Mr Nicholas Mather (B.Sc. Hons Geol.), the Chief Executive Officer of the Company. Mr Mather is a Fellow 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. Mr Mather 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 Nicholas Mather

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

Tel: +61 (0) 7 3303 0665
+61 (0) 417 880 448

Mr Karl Schlobohm

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

Tel: +61 (0) 7 3303 0661

Mr Ewan Leggat / Mr Richard Morrison

SP Angel Corporate Finance LLP (NOMAD and Broker)
ewan.leggat@spangel.co.uk

Tel: +44 (0) 20 3470 0470

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NOTES TO EDITORS

SolGold is a Brisbane, Australia based, AIM-listed (SOLG) copper gold exploration and future development company with assets in Ecuador, Solomon Islands and Australia. SolGold's primary objective is to discover and define world-class copper-gold deposits. The Board and Management Team have substantial vested interests in the success of the Company as shareholders as well as strong track records in the areas of exploration, mine appraisal and development, investment, finance and law. SolGold's experience is augmented by state of the art geophysical and modelling techniques and the guidance of porphyry copper and gold expert Dr Steve Garwin.

SolGold was shortlisted as a nominee for the Mining Journal Explorer Achievement Award for 2016. The Company announced USD54m in capital raisings in September 2016 involving Maxit Capital LP, Newcrest International Ltd and DGR Global Ltd, all undertaken at substantial premiums to previous raisings and SolGold has (at March 2017) circa USD35 million in available cash to continue the exploration and development of its flagship Cascabel Project.

Coincident with those capital raisings, Mr Scott Caldwell (CEO of TSX-listed Guyana Goldfields Inc) joined the SolGold Board on 9 September 2016. Mr Caldwell is a mining engineer with over 30 years of experience building and operating gold and base metal mines worldwide, including USA, Canada, Russia, Zimbabwe, Chile and Indonesia and was in 2016 recognised as CEO of the year for South-American resource companies.

Mr Craig Jones also joined the SolGold Board on 3 March 2017, nominated to the Board of SolGold by Newcrest Mining, a 10% shareholder in SolGold. Mr Jones is a Mechanical Engineer and is currently the Executive General Manager Wafi-Golpu (Newcrest-Harmony MMJV). He has held various senior management and executive roles within the Newcrest Group, including General Manager Projects, General Manager Cadia Valley Operations, Executive General Manager Projects and Asset Management, Executive General Manager Australian and Indonesian Operations, Executive General Manager Australian Operations and Projects, and Executive General Manager Cadia and Morobe Mining Joint Venture. Prior to joining Newcrest, Mr Jones worked for Rio Tinto.



Cascabel, SolGold's 85% owned world class flagship copper-gold porphyry project, is located in northern Ecuador on the under-explored northern section of the richly endowed Andean Copper Belt. SolGold owns 85% of Exploraciones Novomining S.A. ("ENSA") and approximately 11% of TSX-V-listed Cornerstone Capital Resources ("Cornerstone"), which holds the remaining 15% of ENSA, the Ecuadorian registered company which holds 100% of the Cascabel concession.

The investment by Newcrest into 10% of SolGold, and investment into SolGold by Guyana Goldfields, Maxit Capital and its clients, endorses Ecuador as an exploration and mining destination, the management team at SolGold, the dimension, size and scale of the growing Alpala, and the prospectivity of Cascabel and its multiple targets. The gold endowment, location, infrastructure, logistics are important competitive advantages offered by the project.

To date SolGold has completed geological mapping, soil sampling, rock saw channel sampling, geochemical and spectral alteration mapping over 25km², along with an additional 9km² of Induced Polarisation and 14km² Magnetotelluric "Orion" surveys over the Alpala cluster and Aguinaga targets.

SolGold has completed over 36,000m of drilling and expended over USD43M on the program, corporate costs and investments into Cornerstone. This has been accomplished without lost time injury or environmental incident, employing a workforce of up to 176 Ecuadoreans workers and geoscientists and 6 expatriate Australian geoscientists. The results of 26 holes drilled (including re-drilled holes) and assayed to date have produced some of the greatest drill hole intercepts in porphyry copper-gold exploration history including Hole 12 (CSD-16-012) returning 1002m grading 0.76 % copper and 0.77 g/t gold. The average grade of all metres drilled to date on the project boasts 0.32 % copper and 0.27 g/t gold. Intensive diamond drilling is planned for the next 12 months with 10 drill rigs expected to be operational early 2018, targeting over 90,000m of drilling per annum.

Cascabel is characterised by fifteen (15) identified targets, world class drilling intersections over 1km in length at potentially economic grades, and high copper and gold grades in richer sections, as well as logistic advantages in location, elevation, water supply, proximity to roads, port and power services; and a progressive legislative approach to resource development in Ecuador. To date, SolGold has drill tested 3 of the 15 targets, being Alpala Central, Alpala Northwest, and Hematite Hill. Currently drill testing of the Alpala Southeast target is underway.

The Alpala deposit is open in multiple directions and the mineralised corridor marked for drill testing of the greater Alpala cluster occurs over a 2.2km strike length from Trivinio in the northwest to Cristal in the southeast. The mineralised corridor is known to be prospective over approximately 700m width. High priority targets within the Alpala cluster, at Moran approximately 700m to the north, and at Aguinaga approximately 2.3km north east, are closely modelled by 3D MVI magnetic signatures that currently encompass over 15Bt of magnetic rock. Based on a strong spatial and genetic relationship between copper sulphides and magnetite, this body of magnetic rock is considered to be highly prospective for significant copper and gold mineralisation, and requires drill testing.

SolGold is focussing on extending the dimensions of the Alpala deposit including Hematite Hill, Alpala South East, Cristal, Alpala Northwest and Trivinio before completing a resource statement and drill testing of the other key targets within the Cascabel concession at Alpala West, Carmen, Alpala East, Moran, Aguinaga, Tandayama-America, Parambas, and Chinambicito.



The Company is currently planning further metallurgical testing and completion of an independent Pre-Feasibility Study at Cascabel. SolGold is investigating both high tonnage open cut and underground block caving operations, as well as a high grade / low tonnage initial underground development towards the economic development of the copper gold deposit/s at Cascabel.

Drill hole intercepts are calculated 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 width of down hole intersections are estimated to be approximately 25-50%.

Following a comprehensive review of the geology and prospectivity of Ecuador, SolGold and its subsidiaries have also applied for additional exploration licences in Ecuador over a number of promising porphyry copper gold targets throughout the Country. SolGold is negotiating external funding options which will provide the Company with the ability to have some of these projects fully funded by a third party while focussing on Cascabel.

In Queensland, Australia the Company is evaluating the future exploration plans for the Mt Perry, Rannes and Normanby projects, with drill testing of the Normanby project planned for the coming quarter. Joint venture agreements are being investigated for a joint venture partner to commit funds and carry out exploration to earn an interest in the tenements.

SolGold retains interests in its original theatre of operations, Solomon Islands in the South West Pacific, where the 100% owned, but as yet undrilled, Kuma prospect on the island of Guadalcanal exhibits surface lithocap characteristics which are traditionally indicative of a large metal rich copper gold intrusive porphyry system. SolGold intends in the future to apply intellectual property and experience developed in Ecuador to target additional world class copper gold porphyries at Kuma and other targets in Ecuador and Argentina.

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 1,432,066,605 ordinary shares issued, together with 33,975,884 options exercisable at 28p and 11,975,884 options exercisable at 14p.

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