



27 November 2017

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

## **Cascabel Exploration Update**

### **Alpala Maiden Mineral Resource Estimate Progress**

The Board of SolGold (LSE and TSX code: SOLG) is pleased to provide an update on the Alpala Maiden Mineral Resource Estimate ("MRE") underway at the Cascabel Project, the Company's 85% owned copper-gold porphyry project in Ecuador.

#### **HIGHLIGHTS:**

- **Alpala Maiden Mineral Resource Estimate on track for completion late December.**

SolGold's Technical Service Manager Benn Whistler commented on the Alpala Maiden MRE, saying: **"We are pleased with the way SRK have been able to replicate the geological detail of the deposit as interpreted in Level Plans and Cross-Sections throughout out the existing deposit, and envisage a very accurate estimate. This maiden resource is by no means a final quantity because the deposit is still growing, and as such we plan to announce updated MRE statements on a quarterly basis through 2018."**

SolGold's CEO and Managing Director, Mr Nick Mather further remarked: **"The Alpala deposit will continue to grow with further drilling expedited through the arrival of 4 more large track mounted drills this month. We plan to immediately follow the MRE up with initiation of a PEA (Preliminary Economic Assessment) of the deposit at Alpala, towards commencement of the PFS (Pre-Feasibility Study) planned for instigation in late 2018."**

#### **FURTHER INFORMATION:**

SolGold's (85% owned) Alpala deposit continues to grow with each new drill hole as drilling focuses on high grade porphyry centres at Alpala West, Northwest, Alpala Central, Alpala East and Alpala Southeast. Over 56,800m of drilling has been completed to date along the greater Alpala trend (**Figure 1**).

#### **Maiden Mineral Resource Estimate**

A recent site visit by SRK Exploration consultants saw major developments in the accuracy and predictive nature of the geological modelling at Alpala. The geological auditing process forming the basis of the Mineral Resource Estimate (MRE), has now advanced the detailed hand contoured geological interpretations in level plan and cross section, into accurate representation within the Leapfrog™ 3D modelling environment.

This collaborative approach is resulting in a high-confidence geological model that will accurately estimate the resource potential, through incorporation of the Alpala genetic model, deposit geometry, intensity of mineralisation and grade distribution.

## Geological Modelling

The geological modelling completed reflects an exhaustive understanding the geology, and geometry of the intrusive and related veining phases that control mineralisation at Alpala. Geological models affect the distribution of Cu-Au grades within mineralised envelopes at Alpala, grade distributions are controlled by:

- varying stages of intrusions, which include pre, early, intra, late and post-mineralisation phases;
- the abundance and orientation of copper-sulphide mineral-bearing quartz veins; and
- varying styles of hydrothermal alteration and the related abundance of hydrothermal magnetite and sulphide minerals.

Several major types of mineralisation are recognised at the Alpala deposit, including but not limited to:

- disseminated mineralisation occurring within early quartz diorite (QD10) source intrusions;
- intense quartz-copper sulphide rich zones occurring at the carapace and edges of QD10 intrusions;
- multidirectional quartz-magnetite-chalcopyrite stock work veins that extend several hundreds of metres beyond the QD10 intrusive margins;
- moderate quartz-magnetite-chalcopyrite stock work veins and lesser sheeted veins that characterize the more distal setting to the source intrusions.

Drilling indicates a true width of the mineralised envelope of up to 700m, a length in excess of 1300m and over 1800m vertical extent from surface (**Figure 2**). Mineralisation is controlled by a series of parent or source quartz diorite ("QD10") intrusions, that have intruded the country rock as a "swarm" of dykes and stocks, which have been enriched with bornite mineralisation in a later stage phyllic mineralisation event. The deposit that formed around the main mineralising QD10 source intrusions is up to 700m thick in a SW-NE direction and slowly tapers off towards surface, where the deposit outcrops in Alpala Creek (where rock-saw channel sampling in trenches confirms outcropping mineralisation over a combined zone of more than 87m grading over 1% copper equivalent).

Each of the QD10 apophyses evident in the greater Alpala cluster has mineralised a vertical extent of up to 1800m of surrounding host rock, forming tapering columns of multi-directional quartz stock work veining that reach surface at locations like Alpala Creek. To date, QD10 source intrusions have been intersected by drilling over a strike length of more than 850m from Hole 13 in the northwest to Hole 25 in the southeast; drilling indicates a vertical distribution of QD10 intrusions over more than 700m from 950m RL in Hole 25m to 250m RL in Hole 12.

Additional QD10 intrusions are suspected at Alpala Southeast under Hole 24, at Alpala East under Hole 29-D2, at Alpala Northwest under Hole 26 and also at Trivinio. These inferred intrusions have yet to be intersected in drilling.

The geology of the Alpala deposit, summarised in **Figure 3**, comprises pre-mineral host rocks that consist of the extensive D10 diorite and a package of andesitic volcanoclastic rocks, lavas and volcano-sedimentary rocks, which are intruded by intensely mineralised NW trending, syn-mineral dyke swarm of QD10 quartz diorite. This entire package was then intruded by two moderately mineralised intra-mineral intrusions (D15 diorite and QD15 diorite). These three early phases of intrusion and associated mineralisation will form the bulk of the Maiden MRE.



The geology of the Alpala deposit also includes late-stage, NW trending, late-mineral hydrothermal breccia, and a series of volumetrically small late to post-mineral diorite, quartz diorite and tonalite dykes cross cut older rock units, which are excised during the MRE estimation process.

The genetic model for the Alpala deposit shows a schematic evolution of Alpala intrusive phases and associated vein paragenesis (**Figure 4**).

#### **ABBREVIATIONS USED**

CuEq – copper equivalent  
Cu – copper  
Au – gold  
m – metres  
incl. – including  
MRE – Mineral Resource Estimate  
NW - northwest

#### **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 JORC Code and NI 43-101. Mr Mather supervised the preparation of this release and consents to the inclusion of the information in the form and context in which it appears.

#### **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.

By order of the Board  
Karl Schlobohm  
Company Secretary  
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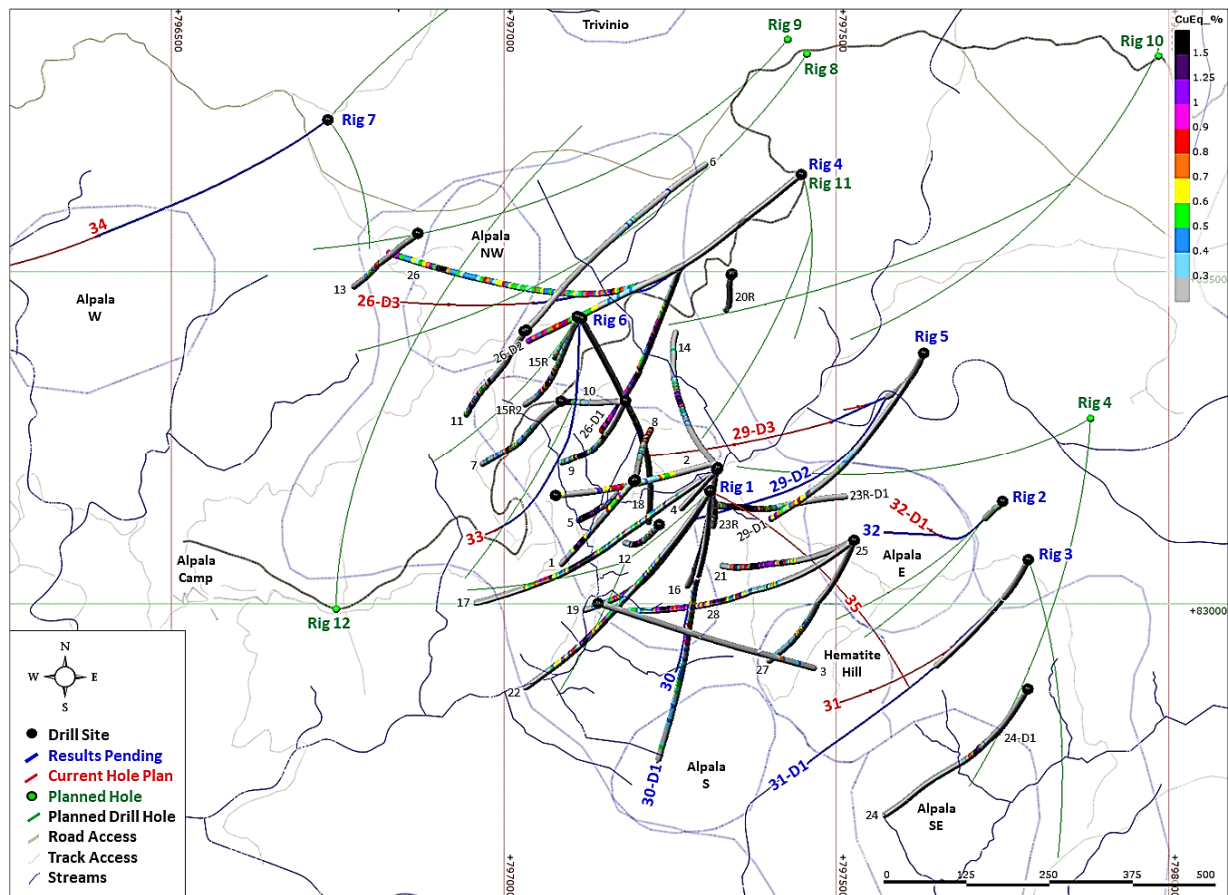
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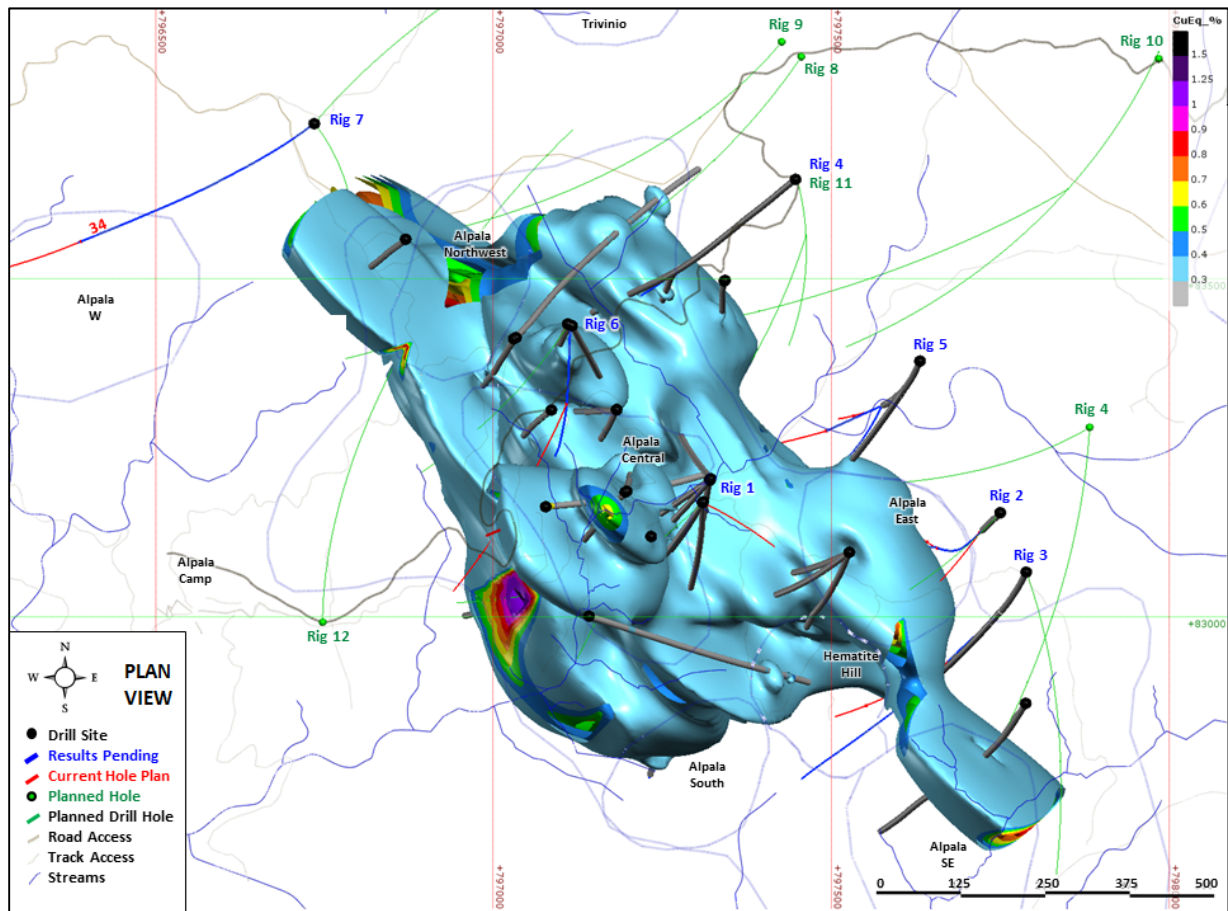
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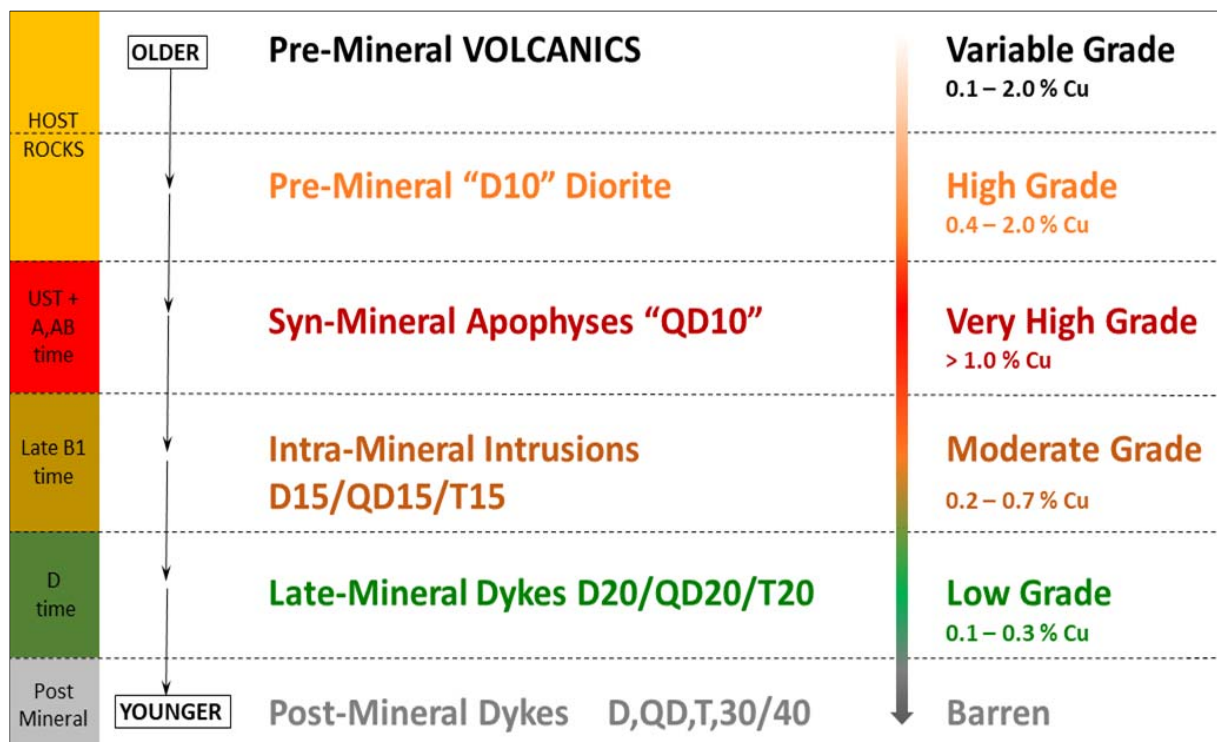


**Figure 1:** Drill hole location plan at Alpala, showing copper-percent equivalent results to date and the traces of existing and planned drill holes.

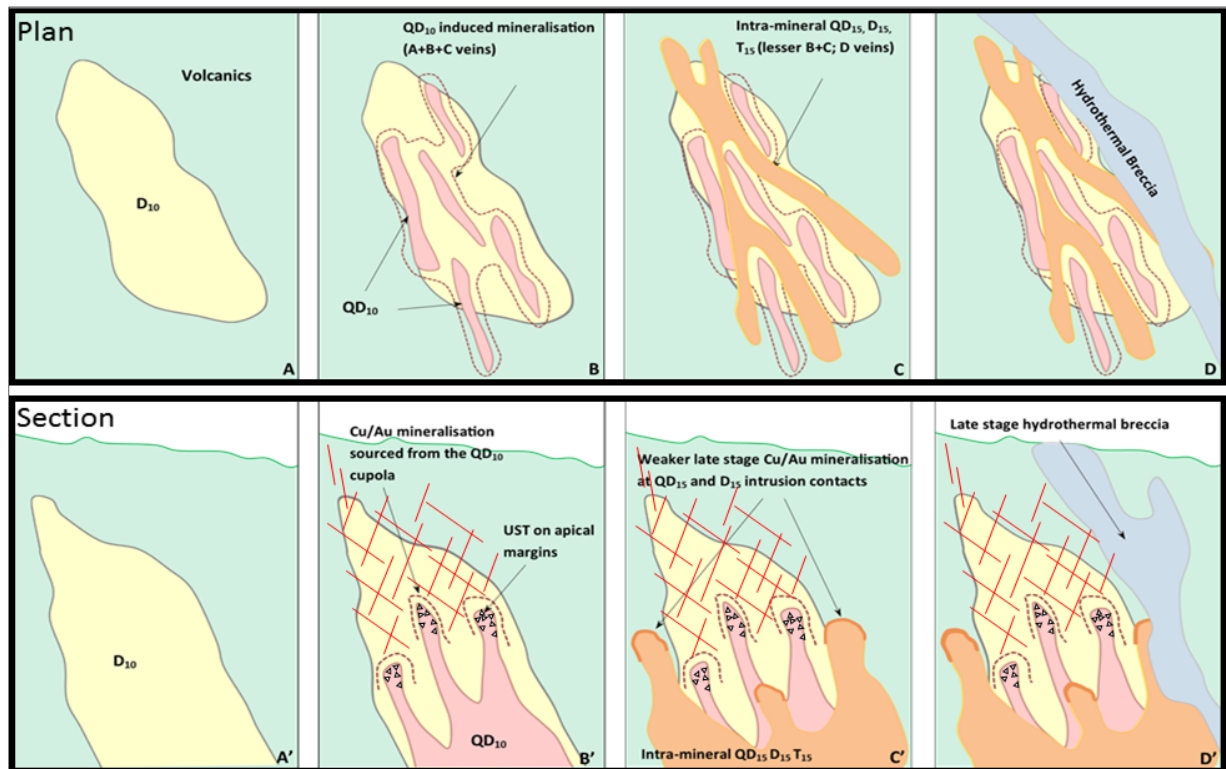


**Figure 2:** Plan view of the Alpala deposit showing CuEq cutoff grade shells from >0.3% Cueq to >1.5% CuEq. Drilling indicates a true width of the mineralised envelope at 0.3% CuEq cutoff grade, of up to 700 metres, a length in excess of 1300 metres and over 1800m vertical extent from surface.





**Figure 3:** Geological units of the Alpala Deposit.



**Figure 4:** Alpa Genetic Model – schematic evolution of Alpa intrusive phases and associated vein paragenesis.



## NOTES TO EDITORS

SolGold is a Brisbane, Australia based, dual LSE and TSX-listed (SOLG on both exchanges) 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.

In October 2017, at the Mines and Money Americas Conference in Toronto, SolGold's Nicholas Mather won the award for the CEO of the Year – Latin America. SolGold won the Exploration Award for Latin America, and Ecuador won the Country Award for Latin America.

The Company announced USD54m in capital raisings in September 2016 involving Maxit Capital LP, Newcrest International Ltd and DGR Global Ltd, and a USD41.2m raising in June of 2017 largely from Newcrest International with USD1.2m raised from Ecuadorean investors. All of these raisings were undertaken at substantial premiums to previous raisings, and SolGold currently has circa USD60m in available cash to continue the exploration and development of its flagship Cascabel Project.

Mr Craig Jones joined the SolGold Board on 3 March 2017, nominated to the Board of SolGold by Newcrest Mining, now a 14.54% 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" (Refer [www.solgold.com.au/cautionary-notice/](http://www.solgold.com.au/cautionary-notice/)) 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 5% 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. Subject to the terms of existing agreements, Cornerstone is debt financed by SolGold for its share of costs to completion of a Feasibility Study ("Financing Option").

In terms of repayment, SolGold shall receive 90% of Cornerstone's share of earnings or dividends from ENSA or the Tenement to which Cornerstone would otherwise be entitled until such time as the amounts so received equal the aggregate amount of expenditures incurred by SolGold that, but for the Financing Option, would have been payable by Cornerstone, plus interest thereon from the dates such expenditures were incurred at a rate per annum equal to LIBOR plus 2 per cent until such time as SolGold is fully reimbursed.

The investments by Newcrest for 14.54% of SolGold endorses Ecuador as an exploration and mining destination, the management team at SolGold, the dimension, size and scale of the growing Alpala deposit, 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 25km<sup>2</sup>, along with an additional 9km<sup>2</sup> of Induced Polarisation and 14km<sup>2</sup> Magnetotelluric "Orion" surveys over the Alpala cluster and Aguinaga targets.

SolGold has completed over 56,800m of drilling and expended over USD66M in Ecuador, which includes Cascabel exploration, regional exploration, corporate costs and investments into Cornerstone. This has been accomplished with a workforce of up to 260 Ecuadorean workers and geoscientists, and 6 expatriate Australian geoscientists. The results of 39 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, as indicated 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.

The average grade of all metres drilled to date on the project currently stands at 0.31% copper and 0.26 g/t gold. Intensive diamond drilling is planned for the next 12 months with 12 drill rigs expected to be operational by early 2018, targeting over 120,000m of drilling in 2018.

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 4 of the 15 targets, being Alpala Northwest, Alpala Central, Hematite Hill, and Alpala Southeast. Currently drill testing of Alpala Northwest, Alpala Central and Alpala Southeast targets is underway, with drill testing of the other priority targets to be considered following the publication of the Company's maiden resource estimate for Alpala, and the finalisation of further IP surveying and modelling work currently 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 10Bt 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 Alpala Central, Alpala Northwest, Alpala West, Alpala East, Alpala South East, Trivinio, and Carmen, over the coming Quarter. Following completion of a Maiden Resource Estimate and then drill testing the other key targets within the Cascabel concession at Aguinaga, Tandayama-America, Moran, Cristal, 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 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 25-50%.

Following a comprehensive review of the geology and prospectivity of Ecuador, SolGold and its subsidiaries have several applications for additional exploration licences in Ecuador over a number of promising porphyry copper gold targets throughout the Country.

SolGold, through its 4 subsidiary companies, has 100% ownership of 59 granted concessions throughout Ecuador. Each subsidiary company has technical teams, led by experienced senior geologists, on the ground prospecting granted tenements and collecting baseline data, whilst regional geophysics surveys are being planned. Copper occurrences have been identified at 6 projects to date: La Hueca, Machos, Rio Armarillo, Sharug, Porvenir and Timbara.

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 the Solomon Islands.

SolGold is based in Brisbane, Queensland, Australia. The Company is listed on the LSE and TSX, with both exchanges using the ticker code: SOLG, and currently has on issue a total of 1,516,245,686 fully-paid ordinary shares, 31,795,884 share options exercisable at 28p; 9,795,884 share options exercisable at 14p and 46,762,000 share options exercisable at 60p.



## 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 on the basis of comparisons with other drilling intersections from “World Class” deposits tabulated in **Table 1**, some of which have become, or are becoming, producing mines and on the basis of available independent opinions which may be referenced to define the term “World Class” (or “Tier 1”).



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 (1Singer and Menzie, 2010; 2Schodde, 2006; 3Schodde and Hronsky, 2006; 4Singer, 1995; 5Laznicka, 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 cautions that the Cascabel Project remains an early exploration stage project at this time. Despite the relatively high copper and gold grades over long intersections and broad areas, and widespread surface mineralization discovered at the Cascabel Project to date, much of which has still not yet been drill tested, the Company has yet to prepare an initial mineral resource estimate at the Cascabel Project and any development or mining potential for the project remains speculative. There is inherent uncertainty relating to any project at an exploration stage, prior to the determination of a mineral resource estimate, preliminary economic assessment, pre-feasibility study and/or feasibility study. There is no certainty that future results will yield the results seen to date or that the project will continue to be considered to contain a "World Class" deposit. Accordingly, past exploration results may not be predictive of future exploration results.

From the drilling results at the growing Alpala Porphyry Copper Gold Deposit (only) within the Cascabel Project, the Company considers the deposit to have significant resource potential and the data gathered has provided the basis for the estimation of an exploration target over the area drilled to date. Initial 3D modelling and grade shell interpolants have outlined an approximate exploration target at Alpala that ranges from 729Mt at 1.06% copper equivalent, using a cut-off grade of 0.4% copper equivalent, to 969Mt at 0.92% copper equivalent, using a cut-off grade of 0.3% copper equivalent. These estimates equate to an endowment of between 7.7-8.9Mt of contained copper equivalent (**Figure A**).

Copper equivalent grades used are calculated using a gold conversion factor of 0.63, determined using a copper price of USD 3.00/pound and a gold price of USD 1300/ounce. 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. True widths of down hole intersections are estimated to be approximately 25-50%.

The Company cautions that the potential quantity and grade ranges (exploration target) disclosed above for the Alpala Porphyry Copper Gold Deposit within the Cascabel Project is conceptual in nature, and there has been insufficient exploration to define a mineral resource, and the Company is uncertain if further exploration will result in the exploration target being delineated within a mineral resource estimate.

On this basis, 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 2**.

## References cited in the text:

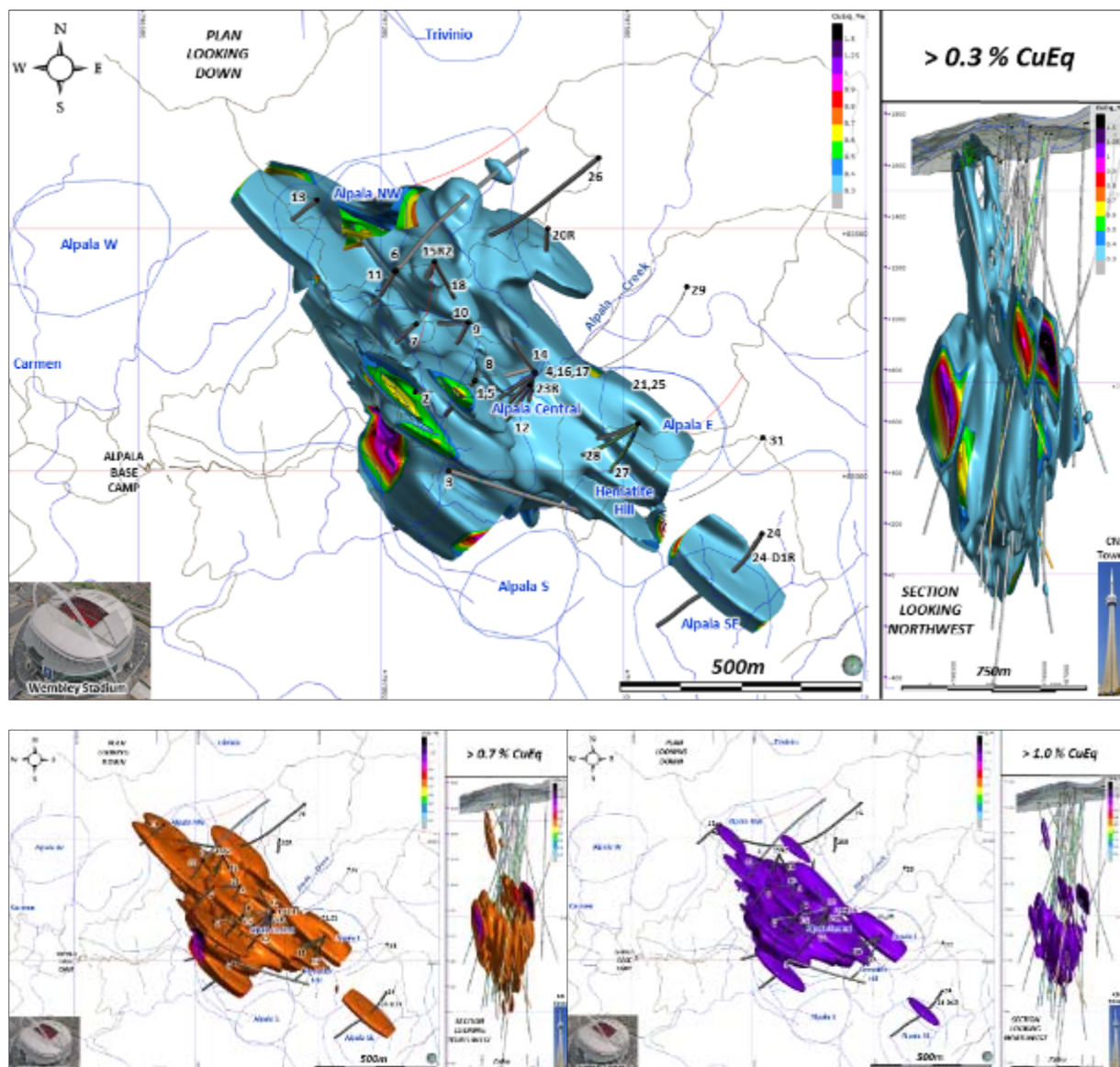
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5. Laznicka, P., 2010. *Giant Metallic Deposits: Future Sources of Industrial Metal, Second Edition*. Springer-Verlag Heidelberg.

Rank	Operator	Property	Location	Interval (m)	Cu (%)	Au (g/t)	Cu.Eq (%)	m% CuEq
1	Anglo American	Los Sulphatos	Central Chile	717.0	3.60	0.00	3.60	2581
2	Codelco	Chilean Giants	Northern Chile	unknown	unknown	unknown	unknown	2500
3	Kennecott	Bingham Canyon	Utah, USA	unknown	unknown	unknown	unknown	2500
4	Newcrest Mining	Wafi-Golpu	Papua New Guinea	1421.5	1.14	0.64	1.54	2195
5	Newcrest Mining	Wafi-Golpu	Papua New Guinea	943.5	1.44	1.28	2.25	2122
6	Imperial Metals	Red Chris	BC, Canada	1024.0	1.01	1.26	1.81	1850
7	Anglo Gold Ashanti	Nuevo Chaquiri	Colombia	810.0	1.65	0.78	2.14	1736
8	Freeport McMoran	Grasberg	Irian Jaya	591.0	1.70	1.80	2.84	1677
9	Ivanhoe Mines	Oyu Tolgoi	Southern Mongolia	326.0	3.77	1.23	4.55	1482
10	SolGold Plc	Cascabel - Hole 12	Ecuador	1560.0	0.59	0.54	0.93	1455
11	SolGold Plc	Cascabel - Hole 9	Ecuador	1197.4	0.63	0.83	1.16	1385
12	Exeter Resources	Caspiche	Northern Chile	1214.0	0.90	0.33	1.11	1346
13	SolGold Plc	Cascabel - Hole 5	Ecuador	1358.0	0.61	0.53	0.94	1279
14	Metallica	El Morro, La Fortuna	Chile	780.0	0.84	1.24	1.62	1266
15	SolGold Plc	Cascabel - Hole 16	Ecuador	936.0	0.75	0.95	1.35	1266
16	Anglo American	Los Sulphatos	Central Chile	990.0	1.26	0.00	1.26	1247
17	Ivanhoe Mines	Oyu Tolgoi	Southern Mongolia	476.0	2.16	0.67	2.58	1230
18	SolGold Plc	Cascabel - Hole 23R	Ecuador	1030.0	0.59	0.90	1.16	1195
19	Metallica	El Morro, La Fortuna	Chile	758.0	0.93	0.99	1.56	1179
20	Newcrest	Cadia Ridgeway	NSW, Australia	341.0	0.93	3.86	3.37	1149
21	Ivanhoe Mines	Hugo Dummet	Southern Mongolia	302.0	3.11	0.98	3.73	1126
22	Ivanhoe Mines	Oyu Tolgoi	Southern Mongolia	422.0	2.48	0.21	2.61	1103
23	Imperial Metals	Red Chris	Canada	1135.0	0.50	0.59	0.87	991
24	Exeter Resources	Caspiche	Northern Chile	1058.0	0.70	0.35	0.92	975
25	SolGold Plc	Cascabel - Hole 15R2	Ecuador	1402.0	0.48	0.34	0.69	974
26	Exeter Resources	Caspiche	Northern Chile	792.5	0.96	0.40	1.21	961
27	Imperial Metals	Red Chris	BC, Canada	716.3	0.79	0.74	1.26	901
28	Nevsun	Timok	Serbia	798.0	0.80	0.22	1.11	886
29	SolGold Plc	Cascabel - Hole 17	Ecuador	954.0	0.60	0.52	0.93	884
30	SolGold Plc	Cascabel - Hole 21	Ecuador	946.0	0.67	0.39	0.92	872
31	Metallica	El Morro, La Fortuna	Chile	820.0	0.59	0.73	1.05	862
32	SolGold Plc	Cascabel - Hole 19	Ecuador	1344.0	0.44	0.28	0.62	829
33	SolGold Plc	Cascabel - Hole 18	Ecuador	864.0	0.57	0.61	0.96	825
34	Seabridge Gold Inc.	KSM	Canada	1023.4	0.24	0.77	0.73	744

**NOTES:** \*Gold Conversion Factor of 0.63 calculated from a copper price of US\$3.00/lb and a gold price US\$1300/oz. True widths of downhole interval lengths are estimated to be approximately 25% to 50%. **Sources:** peer review, [snl.com](http://snl.com), various company releases & broker reports, [intierra.com](http://intierra.com).

**Table 1:** Globally significant drilling results for copper and gold deposits. This table has been reviewed by Mr James Gilbertson of SRK Exploration Services Ltd., the Company's independent consultant and "Qualified Person", and does not purport to be exhaustive.





**Figure A:** Exploration target over the area drilled to date. Initial 3D modelling and grade shell interpolants have outlined an approximate exploration target at Alpala that ranges from 729Mt at 1.06% copper equivalent, using a cut-off grade of 0.4% copper equivalent, to 969Mt at 0.92% copper equivalent, using a cut-off grade of 0.3% copper equivalent. These estimates equate to an endowment of between 7.7-8.9Mt of contained copper equivalent. Low-tonnage, very high-grade Exploration Targets also exist at elevated cut-off grades of 0.7% and 1.0% copper equivalent (Lower Insets).

Deposit Name	Discovery Year	Major Metals	Country	Current Status	Mining_Style	Inventory
LA COLOSA	2006	Au,Cu	Colombia	Feasibility - New project	Open Pit	<sup>1</sup> 469Mt @ 0.95g/t Au; 14.3MOz Au
LOS SULFATOS	2007	Cu,Mo	Chile	Advanced Exploration	Underground	<sup>2</sup> 1.2Bt @ 1.46% Cu and 0.02% Mo; 17.5Mt Cu
BRUCEJACK	2008	Au	Canada	Development/Construction	Open Pit	<sup>3</sup> 15.6Mt @ 16.1 g/t Au; 8.1Moz Au
KAMOA-KAKULA	2008	Cu,Co,Zn	Congo (DRC)	Feasibility - New project	Open Pit & U/ground	<sup>4</sup> 1.34Bt @ 2.72% Cu; 36.5 Mt Cu
GOLPU	2009	Cu,Au	PNG	Feasibility - New project	Underground	<sup>5</sup> 820Mt @ 1.0% Cu, 0.70g/t Au; 8.2Mt Cu, 18.5Moz Au
COTE	2010	Au,Cu	Canada	Feasibility Study	Open Pit	<sup>6</sup> 289Mt @ 0.90 g/t Au; 8.4MOz Au
HAIYU	2011	Au	China	Development/Construction	Underground	<sup>7</sup> 15Moz Au
RED HILL-GOLD RUSH	2011	Au	United States	Feasibility Study	Open Pit & U/ground	<sup>8</sup> 47.6Mt @ 4.56g/t Au; 7.0MOz Au
XILING	2016	Au	China	Advanced Exploration	Underground	<sup>9</sup> 383Mt @ 4.52g/t Au; 55.7MOz Au

*Source: after MinEx Consulting, May 2017*

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

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

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

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

<sup>5</sup> Source: [http://www.newcrest.com.au/media/resource\\_reserves/2016/December\\_2016\\_Resources\\_and\\_Reserves\\_Statement.pdf](http://www.newcrest.com.au/media/resource_reserves/2016/December_2016_Resources_and_Reserves_Statement.pdf)

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

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

<sup>8</sup> Source: [https://mrdata.usgs.gov/sedau/show-sedau.php?rec\\_id=103](https://mrdata.usgs.gov/sedau/show-sedau.php?rec_id=103)

<sup>9</sup> Source: [http://www.chinadaily.com.cn/business/2017-03/29/content\\_28719822.htm](http://www.chinadaily.com.cn/business/2017-03/29/content_28719822.htm)

**Table 2:** Tier 1 global copper and gold discoveries since 2006. This table does not purport to be exhaustive exclusive or definitive.