

14 January 2014

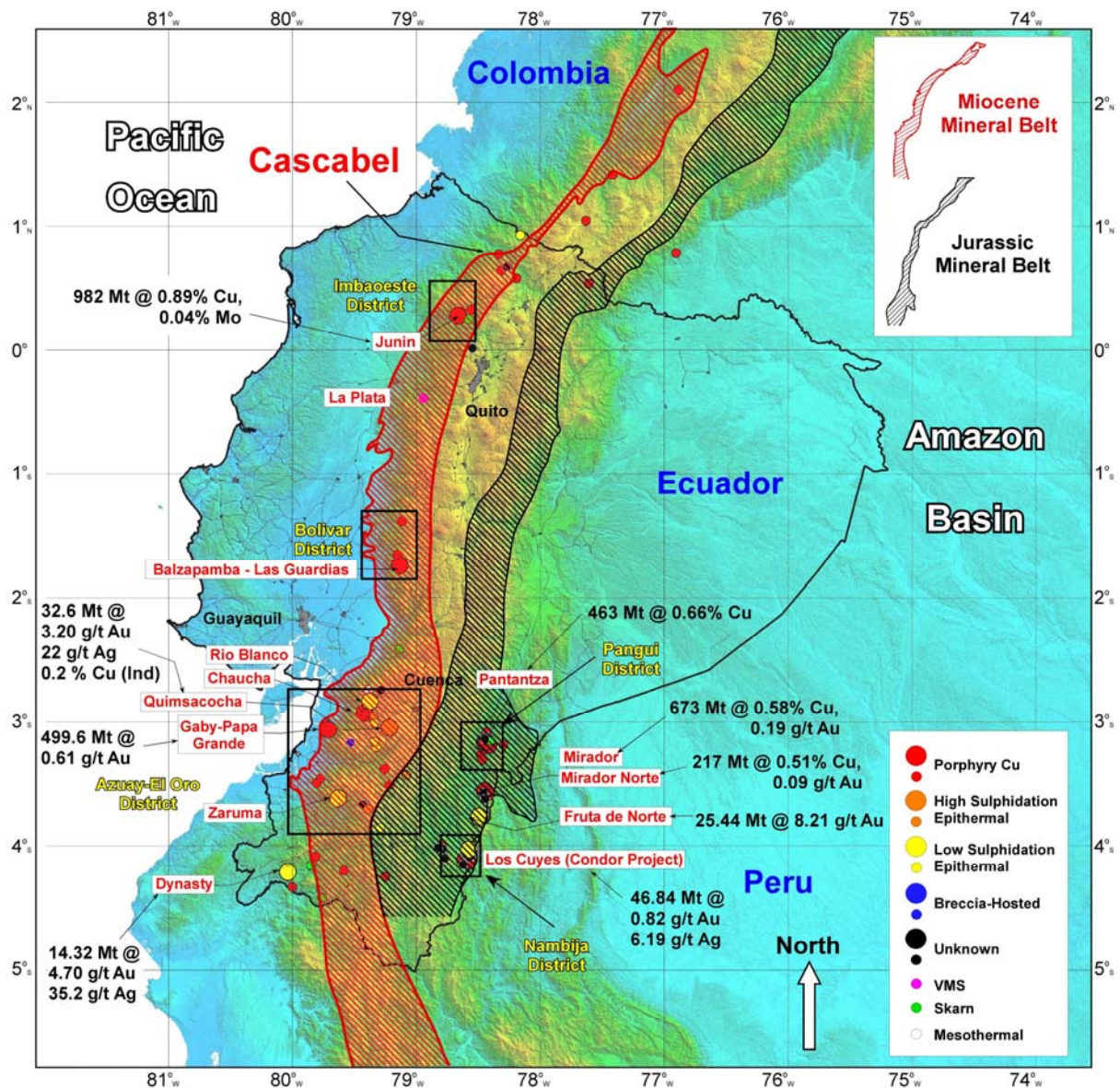
**Strong Porphyry Copper Gold Assays  
Over 845 Metres in Hole 5 at  
Alpala Prospect, Cascabel Project**

The Board of SolGold (AIM code: SOLG) is pleased to report that drill hole CSD-13-005 at the Alpala prospect within the Cascabel Project at the Company's copper-gold porphyry exploration project in northern Ecuador (refer Figure 1), has returned strong porphyry copper gold results over 845 metres of the hole to date. The results indicate discovery of a large high grade copper gold porphyry system.

**Highlights:**

- Large scale, high grade porphyry system discovered.
- Drill hole CSD-13-005 was temporarily suspended on 20<sup>th</sup> of December 2013 at 869.68m in strong copper and gold mineralisation open at depth pending delivery of additional drilling equipment.
- Final assay results from sample batches 1 and 2 of drill hole CSD-13-005 have returned the following copper-gold intersections:
  - 845.68m @ 0.39% Cu & 0.24 g/t Au (from 24m to end of hole).
  - Higher grade intervals including:
    - 154m @ 0.43% Cu, 0.25 g/t Au (from 244m to 398m);
    - 211.68m @ 0.69% Cu, 0.51 g/t Au (from 658m to end of hole);
    - Last 91.68m returned 0.90% Cu, 0.79 g/t Au (from 778m to end of hole).
- Copper and gold grades increasing with depth.
- Strong correlation between magnetite, magnetic response and copper mineralisation in CSD-13-005 confirms significance of 4km<sup>2</sup> Alpala magnetic complex.
- Drill hole CSD-13-005 expected to resume drilling during the last week of January with targeted depth of 1500 metres.

## Metallogenic Belts and Magmatic-Hydrothermal Deposits in Ecuador



SolGold CEO and Managing Director, Mr Alan Martin said: “The results from Hole 5 are the most exciting results from our Stage 1 drill program which commenced in early September last year. The presence of 5-10% magnetite in altered porphyry with strong copper and gold mineralisation indicates that over 4km<sup>2</sup> of high order magnetic signatures at Alpala are high grade copper gold porphyry targets. The 1 billion tonne target we originally set fits easily into this system.

“We intend to deepen Hole 5 to a target depth of 1500 metres in order to test the vertical extent of copper and gold mineralisation. The strong magnetic response in the vicinity of Hole 5 bodes well for extending this mineralisation laterally, and which will be tested after completion of Hole 5. The strong porphyry style mineralisation, multidirectional veins and increasing grades at the end of the hole show that this appears to be a large tonnage, high grade porphyry system.”

### Drill Hole CSD-13-005 Assay Results

The location of drill hole CSD-13-005 is illustrated in Figure 2. CSD-13-005 was sited to test beneath holes 1 and 2, which intersected long runs of copper and gold mineralisation associated with porphyry copper gold quartz stock-work and sheeted veins. Copper and gold intersections for drill hole CSD-13-005 to a depth of 869.68 metres are summarised in Table 1 below. Figure 3 shows a cross-section of copper and gold intersections in holes CSD-13-001 and CSD-13-005.

Two main intersections have been encountered in drill hole CSD-13-005 to date:

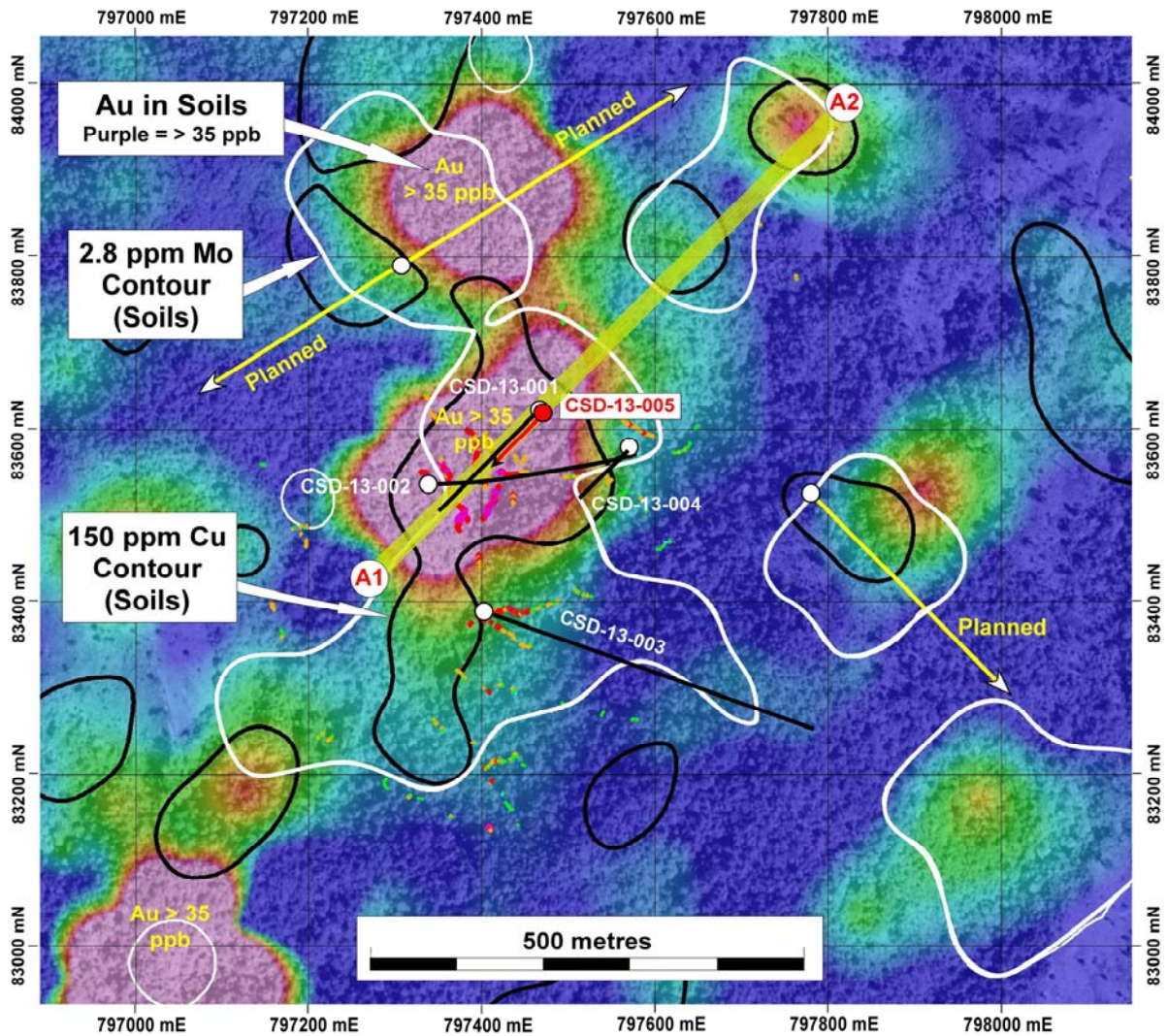
- A shallow intersection of 396 metres grading 0.32% Cu and 0.17 g/t Au (from 24 m depth).
- A deeper intersection of 433 metres grading 0.47% Cu and 0.31g/t Au (from 436 m depth).

A bulked intersection in drillhole CSD-13-005 comprises an 845.68m interval grading 0.39% Cu and 0.24 g/t Au (from 24m depth). Other higher-grade intervals are listed in Table 1.

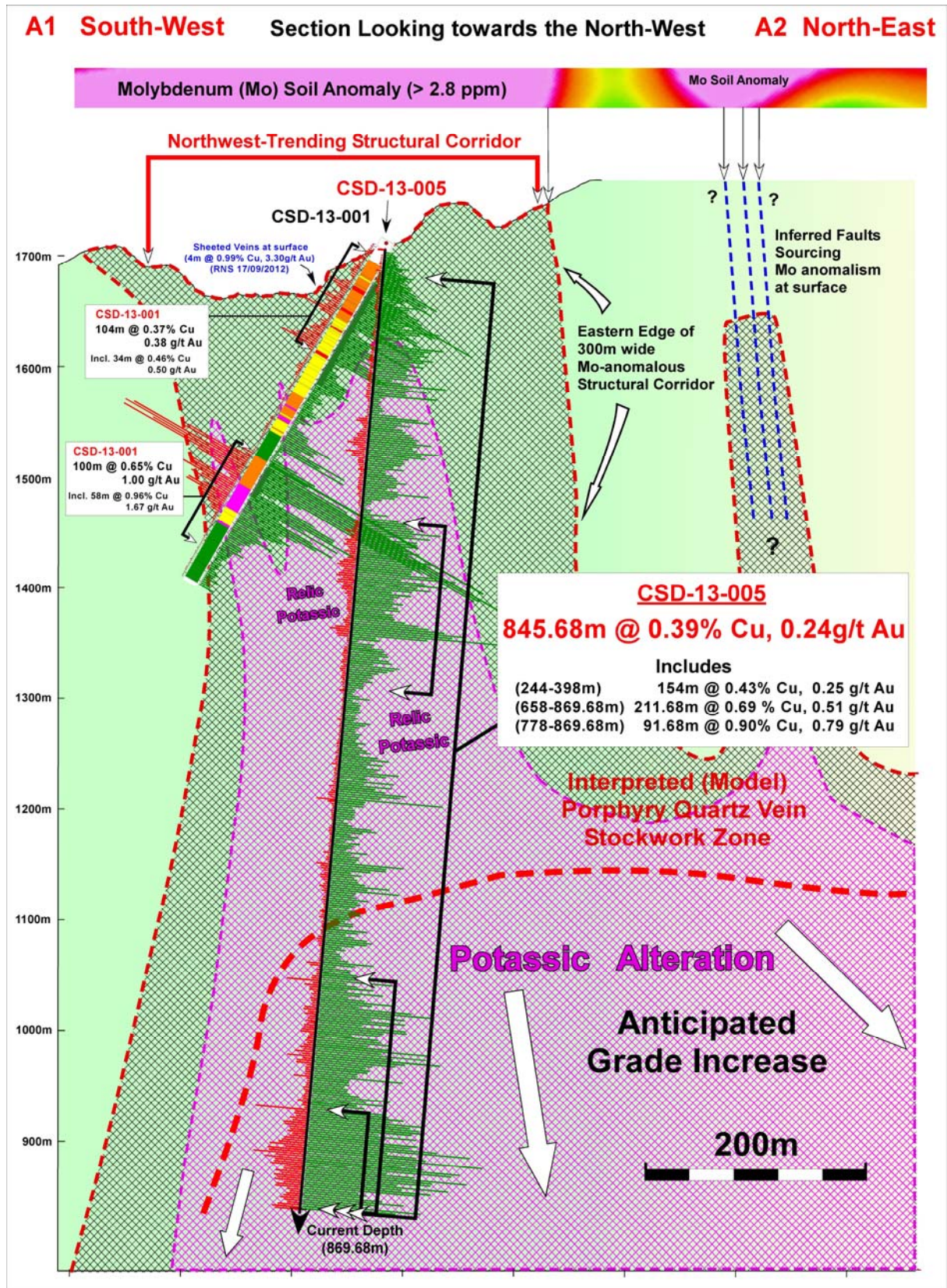
The extensive mineralisation within the hole (845.68m grading 0.39% copper and 0.24 g/t gold) is particularly encouraging especially given the strong correlation with magnetite from 680 metres downhole.

HoleID	DepthFrom	DepthTo	Interval (m)	Cu_%	Au_g/t	Comment
CSD-13-005	24	869.68	845.68	0.39	0.24	<i>Open at depth</i>
<i>Incls.</i>	244	398	154	0.43	0.25	
<i>Incls.</i>	658	869.68	211.68	0.69	0.51	<i>Open at depth</i>
<i>Incls.</i>	778	869.68	91.68	0.9	0.79	<i>Open at depth</i>

**Table 1:** Copper and gold intersections encountered in hole CSD-13-005.

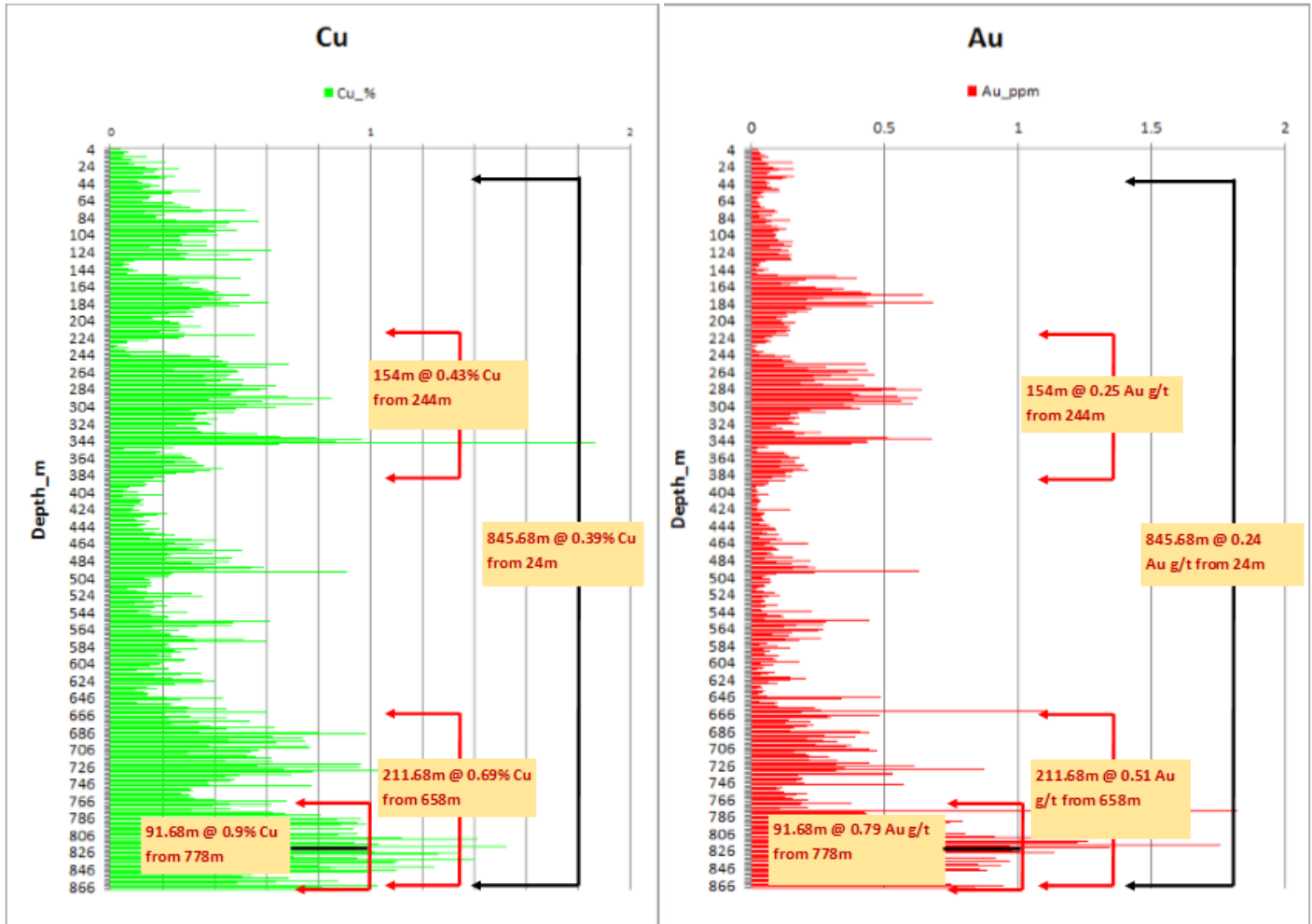


**Figure 2** - Plan map of drill hole CSD-13-005 relative to holes CSD-13-001, 002, 003 and 004, and gold, copper and molybdenum soil anomalies at Alpala.



**Figure 3** – Cross section showing final copper and gold grades for drill hole CSD-13-005 to a depth of 869.68 metres. Drill-hole CSD-13-005 will be further deepened to beyond 1000m (refer Figure 2).

CSD-13-005 is expected to recommence drilling in the last week of January. Additional rods are being delivered to the drill site to facilitate testing to 1500m depth.



**Figure 4** - Copper and gold histograms illustrate the increasing grades of copper and gold downhole in CSD-13-005.



### About Cascabel

SolGold holds a 50% interest, and has elected to increase its ownership 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

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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 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.