

1 June 2012

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

Guadalcanal Joint Venture, Solomon Islands - Update

Drilling commenced at Vuanimaho Prospect Newmont Joint Venture interest earned

The Board of SolGold plc (AIM code: SOLG) is pleased to provide an update on exploration activities for the Guadalcanal Joint Venture ("GJV") located in the Solomon Islands. The GJV is a joint venture between NVL Solomon Islands Limited (a subsidiary of Newmont Mining Corporation) (NYSE:NEM) ("Newmont") and SolGold plc ("SolGold"). Newmont is funding and managing the exploration activities.

Key Points:

- **Drilling has commenced at Vuanimaho Prospect (Mbetilonga Project) where previous drilling has intersected a mineralised diorite and returned up to 46m at 0.34g/t gold and 0.25% copper.**
- **Exploration at Sutakiki and Central is ongoing.**
- **Newmont has met Phase 1 and Phase 2 expenditure earn in requirements to hold a 70% interest in the JV.**

References to figures relate to the version of this release on the Company's website (www.solgold.com.au).

At the Mbetilonga Project, Newmont has advised that drill hole MBT009, at the Vuanimaho Prospect, is now at a depth of approximately 200m, and subject to geological evaluation, is expected to be drilled to at least 800m. Vuanimaho is, in the opinion of SolGold, a highly ranked target that has previously defined gold and copper mineralization associated with a porphyry intrusive phase. The prospect exhibits a subdued copper and gold in soil surface geochemical response, over coincident magnetic and chargeability features.

Three holes have been previously drilled at Vuanimaho and intercepted a variably brecciated and altered diorite complex. Hole MBT002 returned 46m at 0.34g/t gold and 0.25% copper.

The previous drill holes targeted components of a magnetic body that had been modelled in 3-D. The drill holes and modelled magnetic body are shown in figure 2 below. Hole MBT 009 is being drilled from the pad of drill hole MBT007 towards the south at an inclination of -65 degrees – so will be drilling underneath holes MBT001 and 002 as shown in figure 2. The integration of surface exploration datasets, and the very good correlation between modelled magnetics and the mineralised diorite complex support the drilling of hole MBT009, and drilling a target deeper than that previously drilled.

Drill hole MBT008, at Hambusimaloso Prospect, was stopped at the target depth of 693m (see announcement dated 30 April 2012). The hole drilled through a zone of altered and veined volcanic rocks and dioritic intrusives from approximately 400m to 550m depth. Assays are awaited.

Exploration is ongoing at Central and Sutakiki project areas and comprises geochemical sampling and geological mapping prior to drill targeting.

Commenting, Malcolm Norris, Chief Executive Officer of SolGold, said:

“We are pleased to see further drilling by Newmont at the Vuanimaho Prospect which exhibits many features associated with the potential for large scale gold-copper porphyry mineralisation. We are also keenly watching outcomes of further exploration at Sutakiki and Central where historical drilling has identified porphyry associated gold-copper mineralisation (for example in SUT001 which intersected 259m at 0.28g/t gold and 0.11% copper), and numerous associated anomalies warranting further work.”

SolGold and Newmont have recently agreed to changes to the operational aspects of the GJV and have signed an Amended Venture Agreement. Newmont expenditure to end April 2012 has been \$17.9 million. Newmont has therefore met the Phase 1 and Phase 2 expenditure requirements of the GJV and has earned a 70% participating interest reducing SolGold’s participating interest to 30%. Under the current program and budget SolGold elected to not fund its participating share and as such has diluted its position in the GJV. SolGold can elect to contribute to the exploration funding in future and manage its equity position.

Qualified Persons

Information in this report relating to the exploration results is based on data reviewed by Mr Malcolm Norris (B.Sc. Hons, MSc), the Chief Executive Officer of the Company. Mr Norris 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 Norris 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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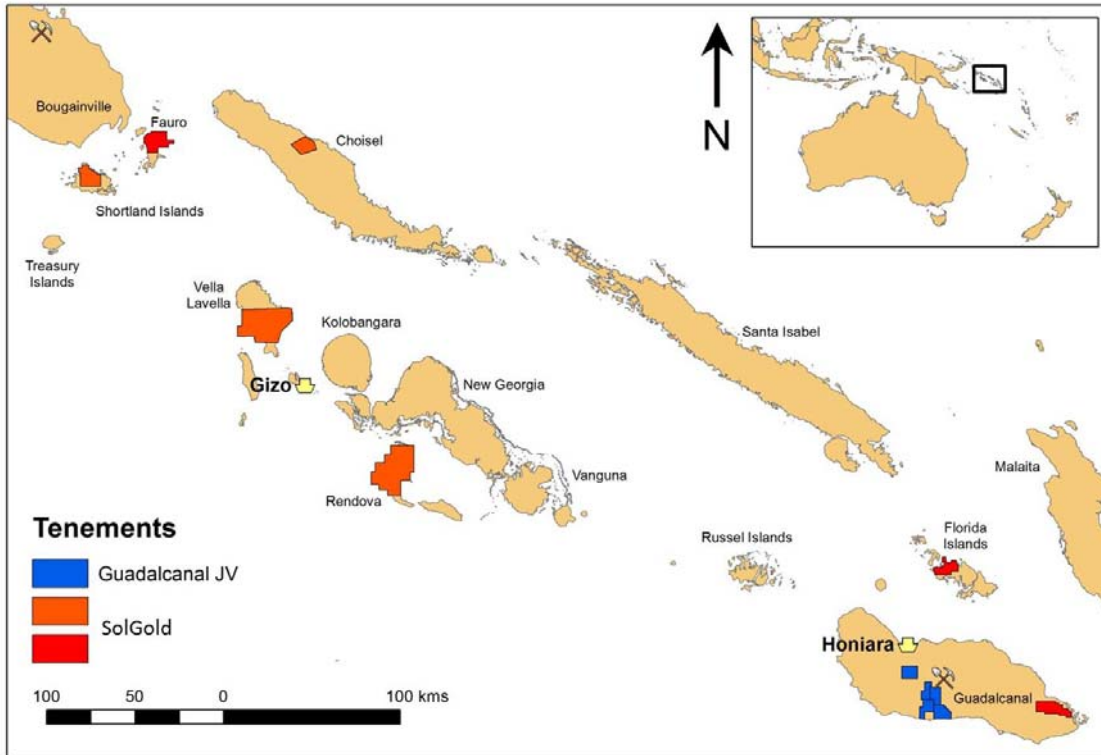


Figure 1: Location of SolGold’s exploration license in the Solomon Islands

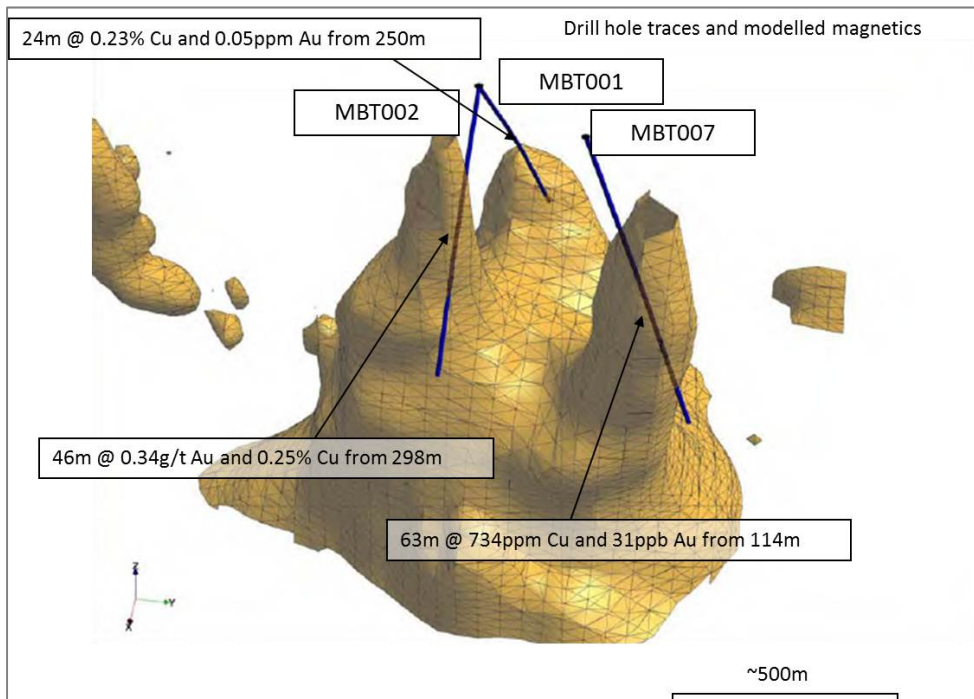


Figure 2: 3-D modelling of the Vuanimaho magnetic complex and the location of historical drilling

NOTES TO EDITORS

SolGold's exploration projects are located in northern Ecuador, Queensland, Australia, and the Solomon Islands. In Australia, they comprise the Rannes, Mt Perry, Cracow West and Normanby Projects. In the Solomon Islands they comprise the Fauro Project (located on Fauro Island), and the Guadalcanal Joint Venture with NVL Solomon Islands Limited, and in Ecuador a JV with Cornerstone Capital Resources on the Cascabel gold-copper project.

In April 2012, SolGold and Cornerstone Capital Resources Inc. announced that they had signed a binding Letter of Intent whereby SolGold may acquire up to 85% of Cornerstone's 100% owned 5,000 hectare Cascabel gold-copper-silver property in northern Ecuador.

The Cascabel project is located approximately 120 km north of Ecuador's capital, Quito, 20 km south of the Colombian border, and 75 km inland from the coastal city of San Lorenzo. The gold-copper porphyry project is located within the Andean western cordillera, host to numerous Tier 1 world class copper-gold deposits through Chile, Peru, Ecuador and Colombia.

At the Rannes project SolGold has announced 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 2012 exploration program, including drilling to define new ore positions and grow the resource, is underway.

Exploration continues at Mt. Perry, Normanby and Cracow West.

In the Solomon Islands, the 2012 exploration program on the Fauro project has been delayed while a JV partner is sought to pursue drilling of gold-copper targets defined in the 2011 exploration program. The 2012 Guadalcanal Joint Venture exploration program with NVL Solomon Islands Limited (a subsidiary of NYSE-listed Newmont Mining Corporation) is underway and includes drilling on highly prospective gold-copper porphyry targets.

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 in Australasia and Melanesia, investment, finance and law. Board and Management have significantly vested interests in the Company, holding approximately 16.3% of its issued share capital.

SolGold is based in Brisbane, Queensland, Australia. The Company listed on London's Alternative Investment Market in 2006, under the AIM Code 'SOLG' and currently has 313,381,934 shares on issue and 10,472,000 options exercisable at 50p on issue. Further details concerning the Company's key projects and personnel can be found at www.solgold.com.au