

16 October 2013

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

Cascabel Project Update

Final Assay Results Lift Copper Grades for First Cascabel Drill Hole

The Board of SolGold (AIM code: SOLG) is pleased to report that final assay results have been received for Drill Hole CSD-13-001 at the Alpala prospect within the Cascabel Project, the Company's copper-gold porphyry exploration project in northern Ecuador.

Highlights:

- **Final assay results for copper-gold mineralisation in Drill Hole CSD-13-001 includes the following upgraded intervals:**
 - **302m @ 0.39% copper and 0.48 g/t gold from 16m, including;**
 - **100m @ 0.65% copper and 1.0 g/t gold from 222m.**
- **Final result highlighted above represents a 14.7% increase in the copper grade across the 302m interval, with a 30% increase in the copper grade within the 100m high-grade zone.**
- **High grade zone from 226m to 284m (58m) at 0.96% copper and 1.67 g/t gold.**
- **Mineralisation styles indicative of potentially significant copper-gold porphyry system.**
- **Drill Hole CSD-13-002 assays for first 200 metres expected within 2 weeks.**
- **Drill Hole CSD-13-003 was at a depth of 450 metres on 15 October.**

Drill Hole CSD-13-001 – Final Assay Results

Final assay results have now been received for hole CSD-13-001 and have resulted in the upgrade of four intervals (Table 1). The initial preliminary results were reported by SolGold on 10 October 2013. Figure 2 shows a cross-section of final gold and copper intersections.

SolGold is delighted with the upgrade of the copper results and considers the intersections encountered in Hole CSD-13-001 to be exciting. The continuity of copper mineralisation including the higher-grade zones is indicative of a well-mineralised and potentially large porphyry system.

Assay results for the first 200 meters of Drill Hole CSD-13-002 are expected within 2 weeks. Drill hole CSD-13-003 was at a depth of 450 metres on 15 October and was drilling through strong argillic (clay) altered volcanic rocks. Traces of copper mineralisation have been observed through various parts of the hole and includes chalcocite in veinlets. The hole is still drilling towards the magnetic target area.

Final results tabulated below feature a 14.7% increase in the copper grade across the 302m interval, with a 30% increase in the copper grade within the 100m high-grade zone.

Table 1 – Final assay results for CSD-13-001.

HoleID	DepthFrom	DepthTo	Interval	Cu_%	Au_g/t	Comment
CSD-13-001	16	318	302	0.39	0.48	<i>Intersection upgraded</i>
<i>CSD-13-001</i>	<i>16</i>	<i>120</i>	<i>104</i>	<i>0.37</i>	<i>0.38</i>	
<i>Incls.</i>	<i>50</i>	<i>84</i>	<i>34</i>	<i>0.46</i>	<i>0.50</i>	
<i>Incls.</i>	<i>100</i>	<i>118</i>	<i>18</i>	<i>0.38</i>	<i>0.73</i>	
<i>CSD-13-001</i>	<i>128</i>	<i>160</i>	<i>32</i>	<i>0.17</i>	<i>0.09</i>	
<i>CSD-13-001</i>	<i>188</i>	<i>212</i>	<i>24</i>	<i>0.32</i>	<i>0.06</i>	
<i>CSD-13-001</i>	<i>222</i>	<i>322</i>	<i>100</i>	<i>0.65</i>	<i>1.00</i>	<i>Intersection upgraded</i>
<i>Incls.</i>	<i>226</i>	<i>284</i>	<i>58</i>	<i>0.96</i>	<i>1.67</i>	<i>Intersection upgraded</i>
<i>Incls.</i>	<i>232</i>	<i>248</i>	<i>16</i>	<i>1.87</i>	<i>3.25</i>	<i>Intersection upgraded</i>

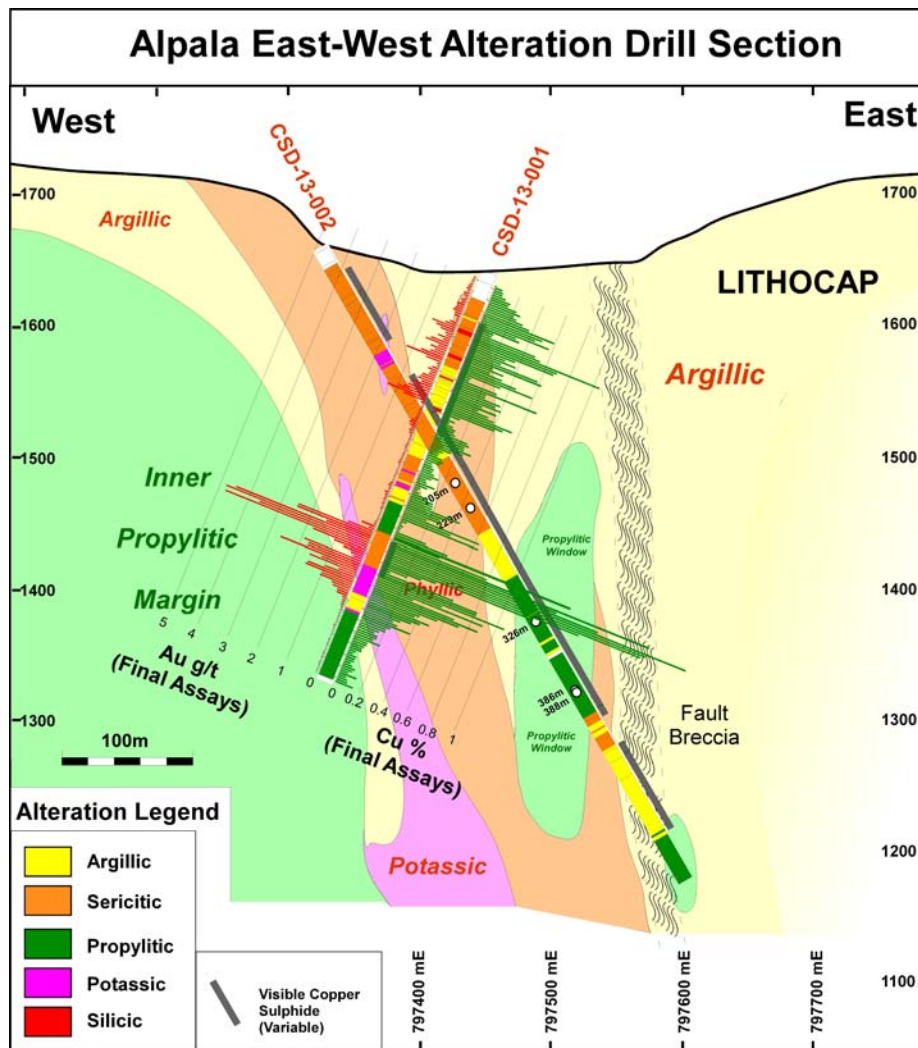


Figure 1 – Cross section showing final copper and gold grades for Drill Hole 1



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 northwestern 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 and Kuma licenses, both of which are located on Guadalcanal.

The Cascabel copper-gold project is located approximately 180 km by sealed 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.