8 November 2012

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

CASCABEL GOLD-COPPER PORPHYRY PROJECT
Heli-magnetics and Soil Sampling Update – Multiple Anomalies defined

The Board of SolGold plc (AIM code: SOLG) is pleased to provide an update on exploration activities at the Cascabel gold-copper porphyry project in Ecuador. The Cascabel Project is a joint venture between SolGold and TSXV listed Cornerstone Capital Resources Inc ("Cornerstone"; TSXV-CGP, F-GWN, B-GWN, OTC-CTNXF). SolGold is directing the exploration program and Cornerstone is implementing the program with its experienced in-country team.

Exploration has progressed with the completion of a detailed helicopter-supported magnetic and radiometric survey, and significant progress has been made towards completion of a 200m x 100m grid-based soil sampling program. Channel sampling in previously identified outcropping mineralised areas and field mapping continue to progress.

Highlights:

- **Heli-magnetic survey completed.**
- **Soil survey 40% complete and has identified numerous gold-copper anomalous areas.**
- **1 kilometre long coincident gold-copper-molybdenum soil anomaly defined in the NW portion of the soil sampling area and coinciding with an area of mapped potassic alteration at Quebrada America and Tandayama.**
- **Several other coincident gold-copper anomalies exist but are yet to be fully defined.**
- **2 clear gold-copper porphyry target domains have been defined from the magnetic survey:**
    - **Target T1 covers a 2km diameter feature partly coincident with outcropping porphyry mineralisation at Quebrada Moran and Alpala;**
    - **Target T2 covers a 2km diameter feature overlapping the edge of the soil survey with anomalous gold and copper.**
- **Magnetic, radiometric, soil, and geological data are now being further processed and integrated to define and prioritise all target domains.**
- **Preliminary assessment outlines a 25km^2 domain hosting numerous coincident gold and copper anomalies, and magnetic anomalies.**
- **Key components of the gold-copper porphyry target model have been recognised.**

Current activities:

- **Ongoing soil sampling on a 200m x 100m grid to extend the survey coverage.**
- **Additional assay results from further soil sampling expected in late November.**
- **Commencement of 100m x 100m follow-up soil sampling in areas of defined anomalies.**
- **Ongoing processing of preliminary heli-magnetic and radiometric data, and receipt of final data for detailed 3-D inversion modelling.**
- **Spectral analysis of soil samples to build alteration maps.**
- **Community engagement and explanation of exploration program.**

Magnetic survey:

The detailed helicopter-supported magnetic and radiometric survey over the Cascabel concession has been completed and preliminary data received from Geophysics GPR International Inc. The data has been modelled as a first pass assessment of survey results.
The magnetic survey has identified two clear high priority target areas on the concession where the magnetic anomalies bear the signature typical of large gold-copper porphyry systems. The magnetic data is preliminary and further processing is in progress.

The highest priority target (T1) is a 2-km-wide annular magnetic domain that underlies the outcropping gold-copper porphyry vein stockwork at Quebrada Alpala ('A' in figure 2), and is adjacent to the outcropping gold-copper porphyry vein stockwork at Quebrada Moran ('M' in figure 2).

A second porphyry target (T2) with a classic gold-copper porphyry signature is located under Quaternary alluvial gravels and older volcaniclastics in the northern part of the concession (Figure 2), and is defined by a second 2-km-wide zone of complex magnetic high with lows. Copper and molybdenum anomalism in soil samples starts to appear in this area on the very northeast edge of the current soil survey coverage (Figure 3), and extension of the soil sampling will be required to cover this second porphyry target.

Soil sampling survey:

Soil sampling on a 200m x 100m grid is in progress over an area of approximately 20km^2, covering the main gold-copper porphyry mineralised areas identified from field mapping. Assay results have been received for approximately 40% of the sampled area, and this announcement relates to only those assays received. Further results will be released once assay data is received and verified. Soil sampling in the south, at Quebrada Alpala, has been completed and assay results are being awaited and are expected in December.

The results to date are defining areas of coincident gold-copper-molybdenum anomalism in the area of mapped potassic alteration areas at Quebrada Tandayama and America (see Figures 1 and 3), and coincident gold-copper in the areas over and immediately north of Quebrada Moran where outcropping porphyry veining with gold and copper has been previously reported. The tenor of the soil sampling results is consistent with signatures expected from gold-copper porphyry systems. The soil sampling suggests that the district is a gold-copper domain, with weaker molybdenum, and this is consistent with the results from rock chip sampling.

Infill sampling on a 100m x 100m grid will commence in November over areas of currently defined anomalism to further define areas of coincident gold, copper and molybdenum in preparation for drill targeting. Extension of the soil sampling to the north over magnetic target T2 will also be scheduled.

All exploration activities are focussed on understanding the geometry of the Cascabel mineralised system to deliver drill targets as soon as possible.

In addition to the technical exploration program, Cornerstone has continued to engage with the communities in the area of exploration activities, and continues to implement community relations programs. The project and exploration programs are strongly supported by the local communities.

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Malcolm Norris, CEO of SolGold commented: "**These results are greatly encouraging, and further reinforce the interpretation that the Cascabel concession is extremely prospective for large gold-copper porphyry and associated high-level epithermal gold systems. We are seeing coincidence of datasets that once fully integrated will deliver high quality targets. The scale of the mineralised systems and targets are significant and further reinforce our optimism for ongoing exploration. Drilling is subject to permitting and we are progressing the work required for the issuance of those permits".**

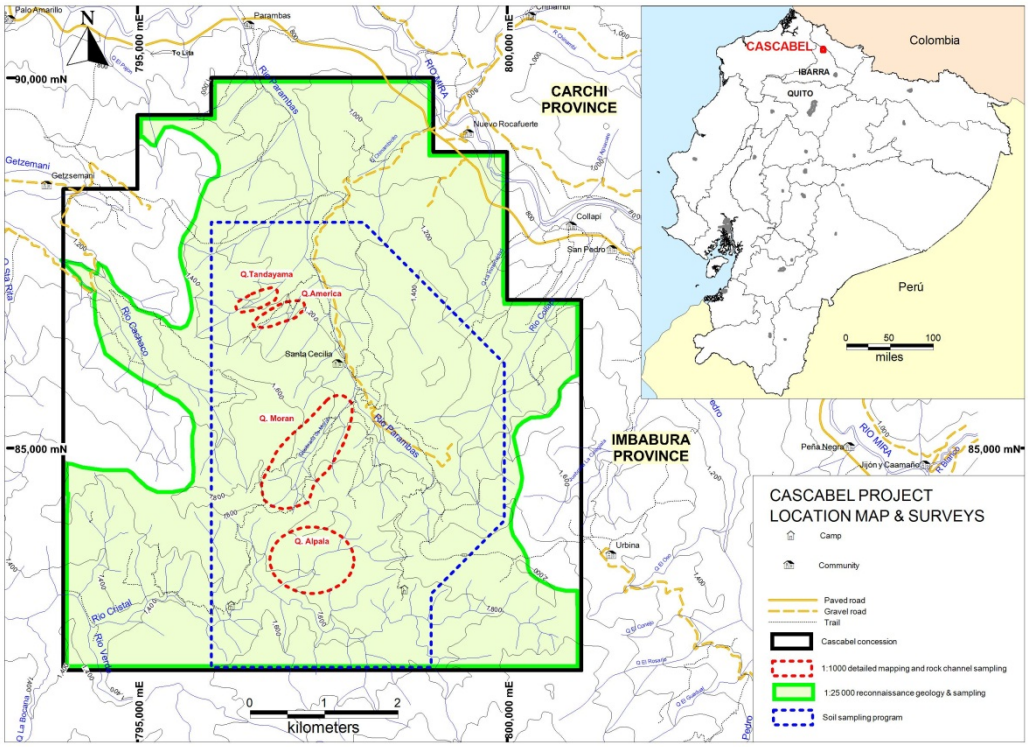

Figure 1: Location of the Cascabel concession in Northern Ecuador. Access is via a 3 hour drive on a sealed road from the capital city Quito. The elevation of the project ranges from 750m to 2100m above sea level. The main prospect areas referred to in the text are also shown in dashed red outline.

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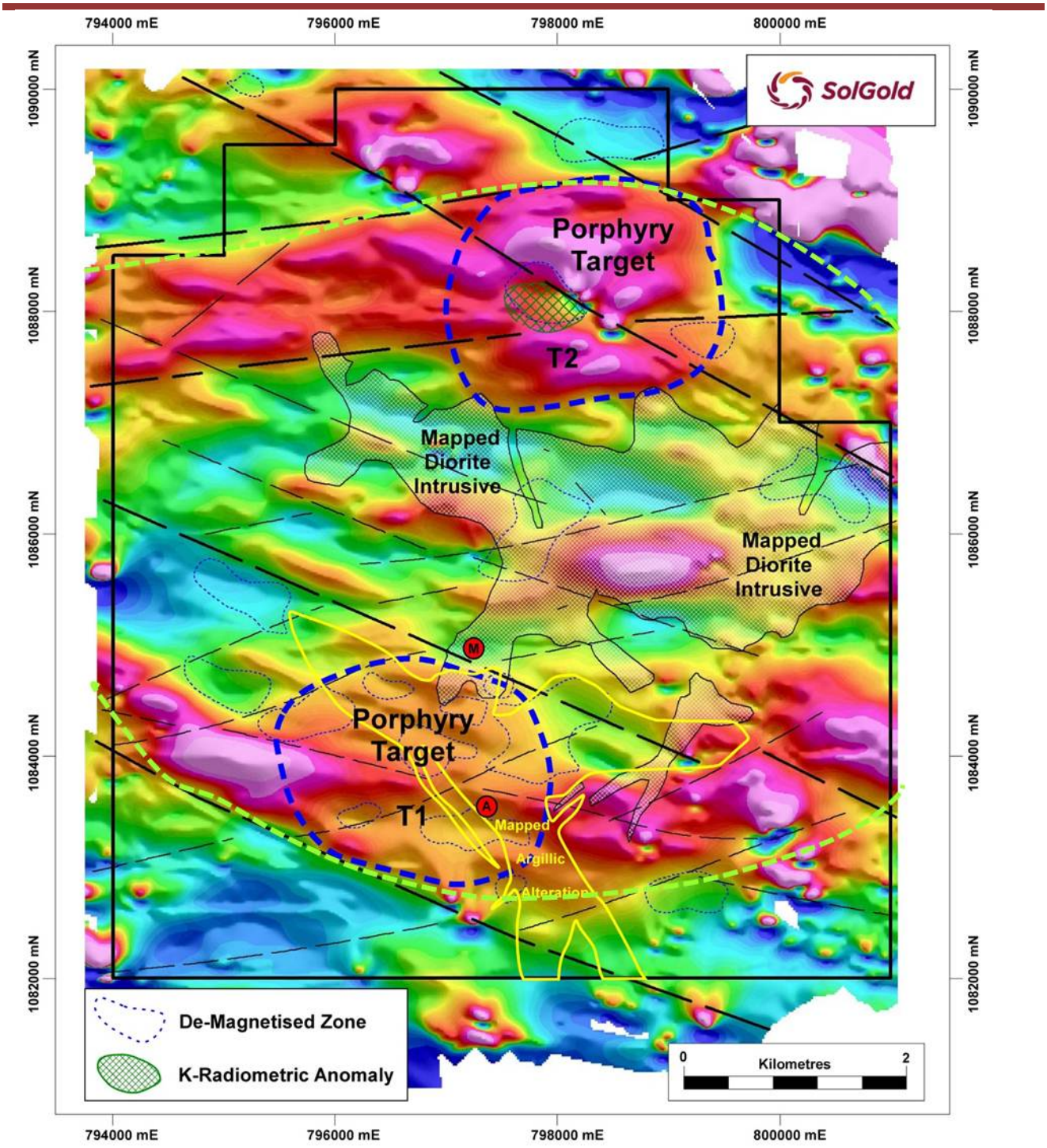

Figure 2: Magnetic imagery from the heli-magnetic survey (images are Reduced-to-Pole [RTP]). The data are preliminary only and further processing is required to properly define domains of differing magnetic character. Initial targets are shown as T1 & T2. The regional 5km diameter circular feature is shown by the green dashed line.

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The data show a series of magnetic features that are currently interpreted to represent buried intrusive bodies, areas of argillic ('clay') alteration, northwest-trending structural domains and a regional-scale circular feature, approximately 5 km in diameter, which incorporates all the target areas.

The target magnetic domains, that bear the signature typical of large porphyry systems include:

1) Annular magnetic high anomalies that are typically 1-2 km in diameter;
2) Annular magnetic anomaly clusters, with a complex association of magnetic highs and lows that may reflect potassic-altered (i.e. containing magnetite) intrusions overprinted by alteration (typically clay) at shallower levels; and
3) Location of these magnetic features at major fault junctions.

Anomaly T1 extends northwest-ward under a zone of mapped clay alteration. This annular anomaly is associated with alteration-induced magnetite-destructive alteration defined by mapped argillic alteration seen at surface. This target is located on the northern edge of a major WNW-trending structural lineament.

Anomaly T2 is centred at the intersection of two regional magnetic lineaments that trend northwest and east-northeast.

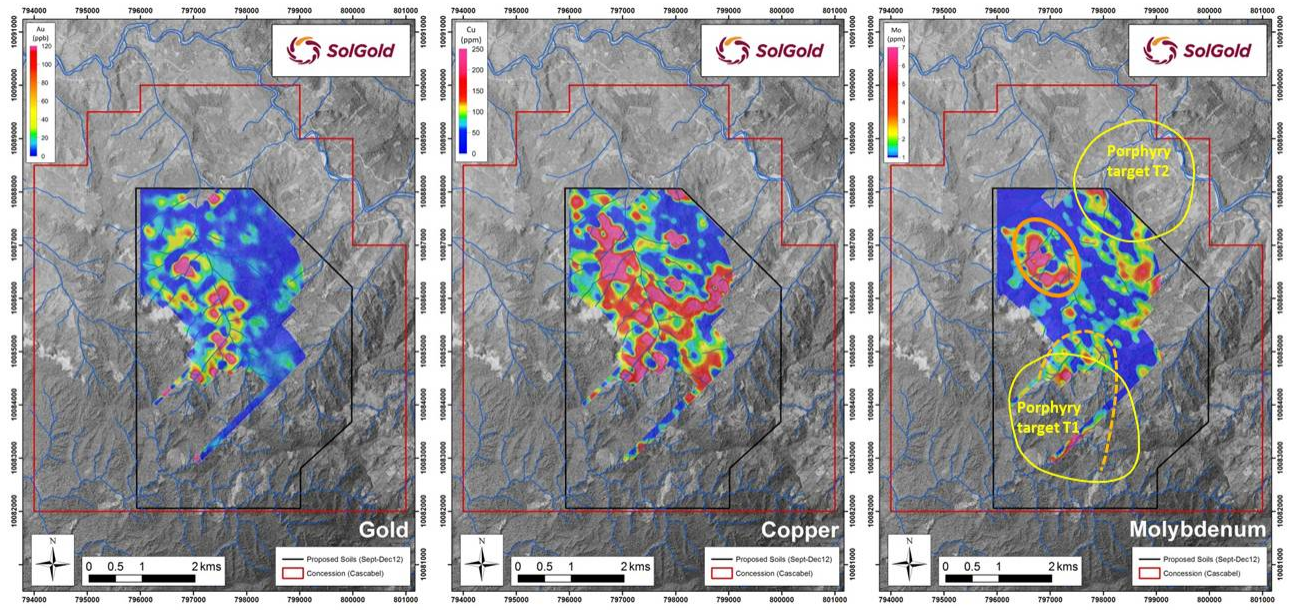

Figure 3: Results to date from the 200m x 100m soil sampling program. The areas of Quebrada America and Tandayama in the north are circled on the Mo image and show a coincident gold-copper-molybdenum anomaly. The areas of Quebrada Moran and Quebrada Alpala in the south, where porphyry stockwork mineralisation outcrops, are not fully covered by the sampling program at this time. They are shown with the dashed orange line on the molybdenum image. The broad target areas (T1 and T2) from the heli-magnetic survey are shown on the molybdenum image. Individual images are shown below.

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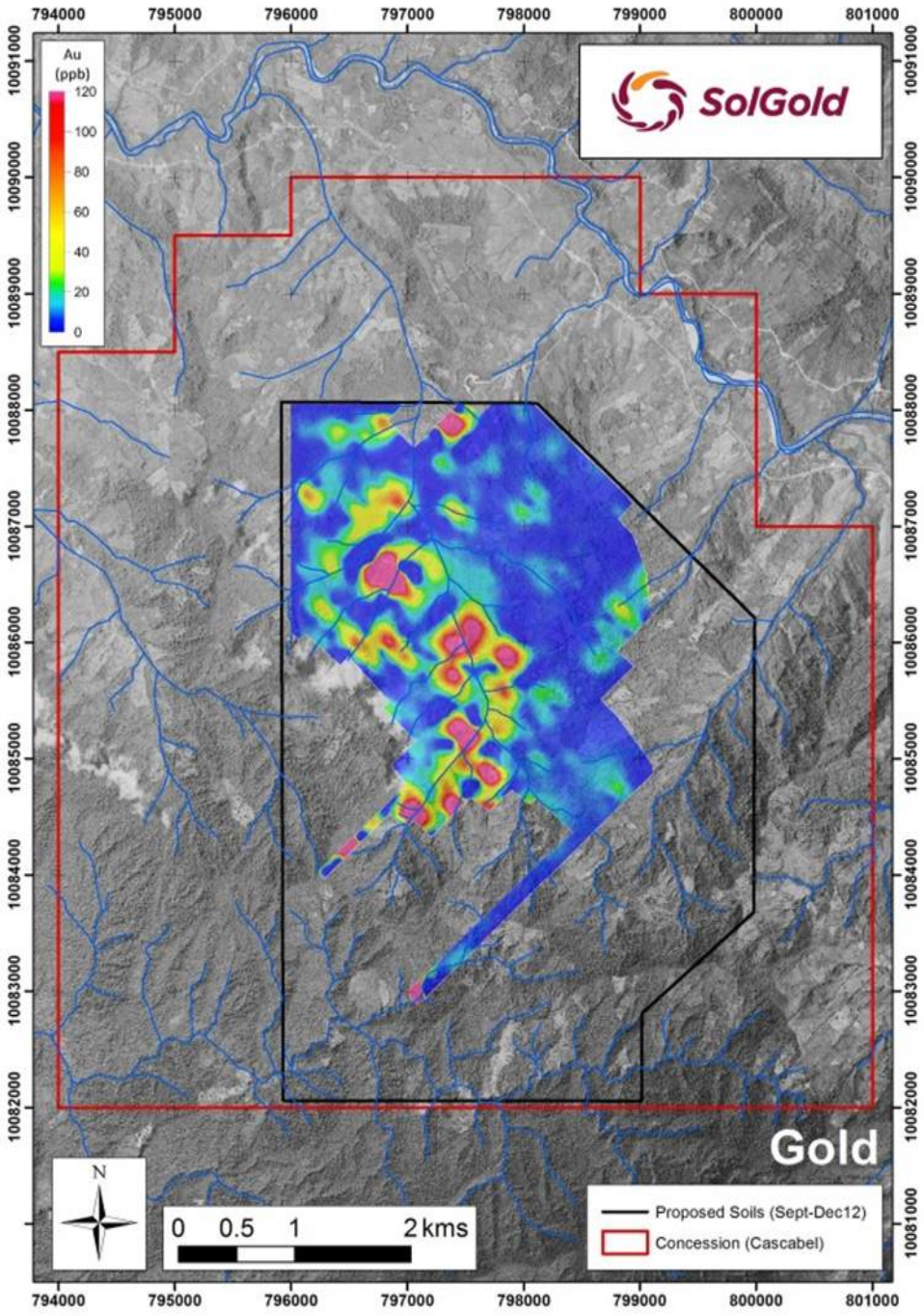

Figure 4: Gold soil geochemistry image

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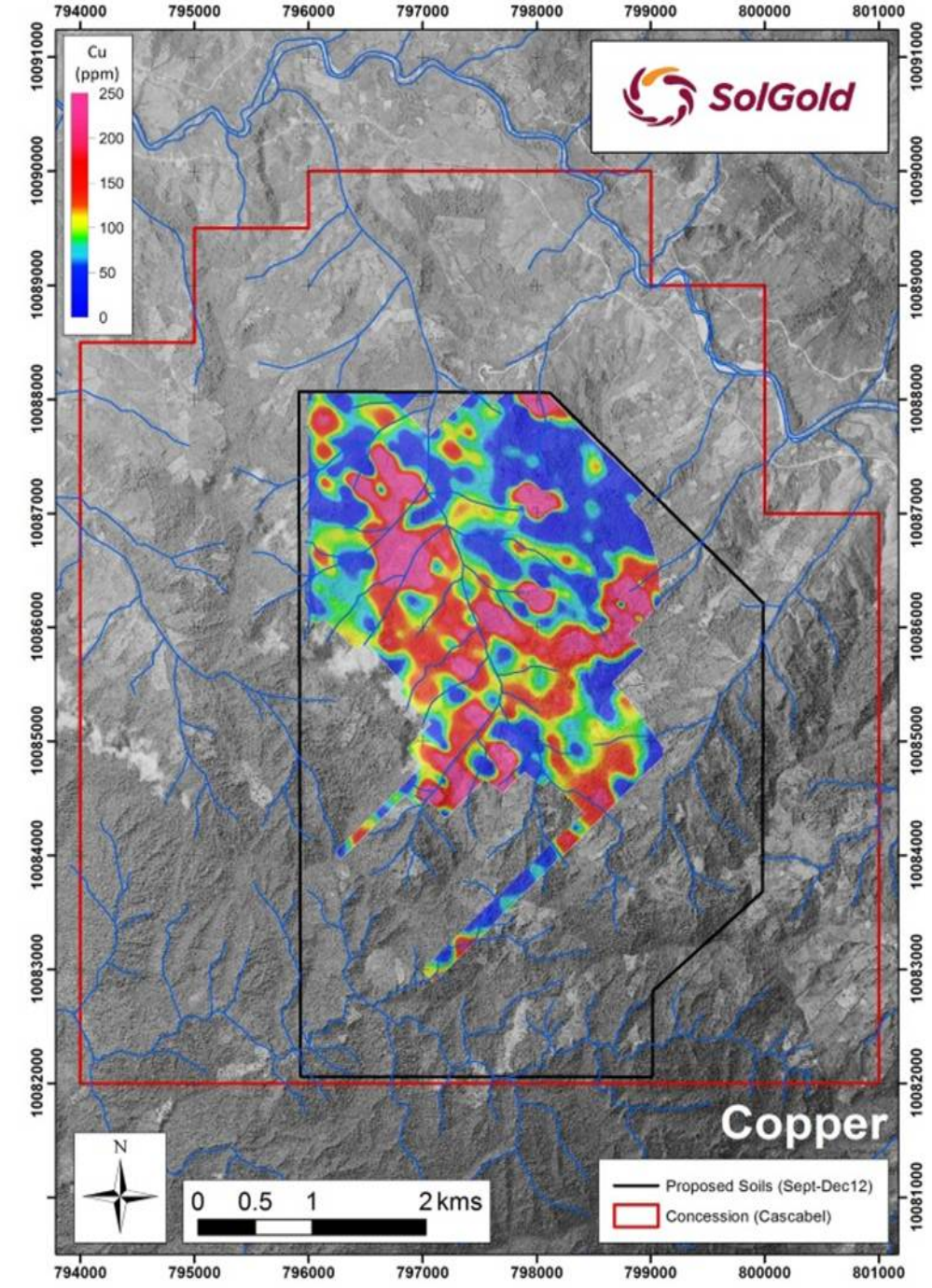

Figure 5: Copper soil geochemistry image

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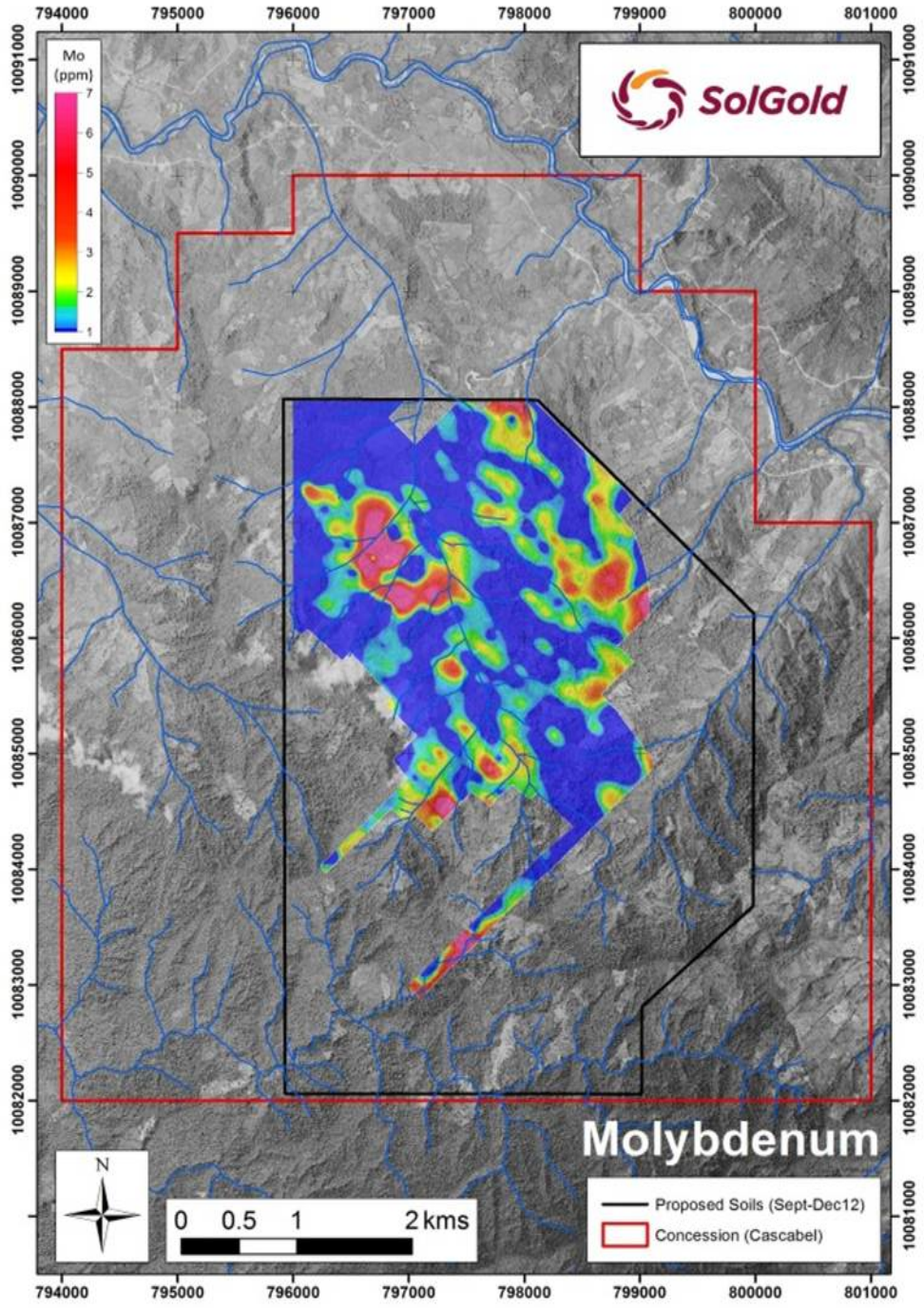

Figure 6: Molybdenum soil geochemistry image

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Qualified Persons
Information in this report relating to the exploration results, gold:silver ratios and cut-off grades 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.

Assaying, Quality Assurance/Quality Control (QAQC)
Samples were delivered in sealed bags by Cornerstone employees to the ACME preparation laboratory in Cuenca. Rock samples are prepared (ACME code R200-250), and assayed by the ACME-Vancouver laboratory (www.acmelab.com) for gold (ACME code G601, F.A., 30 g) and multi-elements (ACME code 1E, 4 Acid digestion ICP-ES finish). All over limits results for precious and base metals were systematically re-assayed (ACME codes G6Gr and 7TD). Stream sediment samples are prepared (ACME code SS80), and assayed for gold (ACME code G601, F.A., 30 g) and multi-elements (ACME code 1EX, 4 acid digestion, ICP-MS finish).

ACME is an ISO 9001:2008 qualified assayer that performs and makes available internal assaying controls. Certified blanks and standards are systematically inserted every 25 samples as part of Cornerstone's QA/QC program.

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 Australia, they comprise 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 Guadalcanal Joint Venture with Newmont Mining Corporation, and in Ecuador a JV with Cornerstone Capital Resources on the Cascabel gold-copper project.

In July 2012, SolGold and Cornerstone Capital Resources Inc. announced that they had signed a Definitive Option Agreement 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 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 2012 exploration program, including planned 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 with NVL Solomon Islands Limited (a subsidiary of NYSE-listed Newmont Mining Corporation) is now seeking expressions of interest for possible divestment.

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 17.5% 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 a total of 424,242,966 fully-paid ordinary shares, 10,700 Convertible Redeemable Preference Shares, 9,472,000 options exercisable at 50p, 1,250,000 options exercisable at 28p and 1,250,000 options exercisable at 14p on issue. Further details concerning the Company's key projects and personnel can be found at www.solgold.com.au.

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