27 June 2018

SolGold plc

Cascabel Exploration Update

Alpala Deposit Growing with Extensions to Richer Core Zones as Drilling Progresses Beyond 120,000m Target

The Board of SolGold (LSE and TSX code: SOLG) is pleased to provide an update on the drilling programs at Alpala and Aguinaga, at the Company's Cascabel project in Northern Ecuador.

HIGHLIGHTS:

- **Infill drilling at Alpala Central continues to upgrade the high-grade zone of mineralisation, where early stage copper and gold rich intrusions appear on drill evidence to be more continuous than previously modelled.**
- **Extension drilling at Alpala Central continues to deepen, and management believes is suggestive of, an extension to the high-grade resource along the lower and northeast margins of the deposit.**
- **Extension drilling at Alpala Central continues to intersect shallow high-grade mineralisation above the existing resource limits, along the southwest margin of the deposit, in a large lobe of early diorite intrusion hosting high-grade mineralisation to within 450m of surface, approximately 250m closer to surface than previously modelled.**
- **Extension drilling at Alpala Northwest and Alpala Southeast also continues to enlarge the Alpala Deposit.**
- **Exploration drilling at Trivinio reveals a new potential for significant north extensions to the Alpala Deposit.**
- **Aguinaga drilling is progressing with Hole 7 under way, as SolGold continues drill testing identified targets.**

Commenting on today's update CEO, Nick Mather, said ***"We are very pleased with the rate of drilling completed at Cascabel so far this year. We continue to observe extensive potential resource growth outside current inferred and indicated resource blocks at Alpala. We expect to deliver a substantial conversion of previously estimated resource categories to higher grades as drill hole density increases throughout the deposit area, as well as a significant increase to the resource estimate of the high-grade core at Alpala. A further 70,000m of drilling has been completed since the development of the MRE in December 2017, and significant resource growth is expected in a revised MRE."***

FURTHER INFORMATION

The Cascabel Project is located on the northern section of the prolific Andean Copper belt, renowned as the base for nearly half of the world's copper production. The project area hosts mineralisation of Eocene age, the same age as numerous Tier 1 deposits along the Andean Copper Belt in Chile and Peru to the south. The project base is located at Rocafuerte in northern Ecuador, approximately three-hour's drive north of Quito, close to water, power supply and Pacific ports (**Figure 1**).

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Having fulfilled its earn in requirements, SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in ENSA (Exploraciones Novomining S.A.) which holds 100% of the Cascabel tenement covering approximately 50km^2.

Approximately 124,000m of diamond drilling has been completed to date on the Cascabel Project. Currently, 12 drill rigs are active on site, with 10 rigs drilling on the Alpala cluster (**Figure 2**), and 2 rigs drilling at the Aguinaga prospect (**Figure 3**). The Cascabel drill program is currently focussed on extending and infilling the Alpala Resource, as well as the further drill testing of the rapidly evolving Aguinaga prospect. Drill testing of the Trivinio target has commenced, whilst numerous other untested targets at Moran, Cristal, Tandayama-America and Chinambicito are flagged for drill testing as overall program demands allow.

Alpala Targeted Resource Additions and Conversions

Assay results from the initial 53,616m of drilling at Alpala were incorporated into the Alpala maiden Mineral Resource Estimate (**MRE**) completed in December 2017 and announced on 3 January 2018. A further 70,000m of drilling has been completed since the development of the MRE, and significant resource growth is expected in a revised MRE.

SolGold geologists continue to observe extensive potential resource growth outside the current inferred and indicated resource blocks at Alpala, and expect substantial conversion of previously estimated resource categories to higher grades as drill hole density continues to increase throughout the deposit area.

The recent and ongoing drilling at Alpala Central is also predicted to significantly increase the resource estimate of the high-grade core at Alpala. Infill drilling at Alpala Central is expected to upgrade the high-grade resource, where early stage copper and gold rich intrusions appear on drill evidence to be more continuous than previously modelled. For example, Hole 55R intersected over 1000m of intense and highly visible copper sulphide mineralisation, including chalcopyrite, and Hole 57 has thus far intersected over 720m of very strong highly visible copper sulphide mineralisation, including chalcopyrite.

Extension drilling at Alpala Central continues to deepen and extend high-grade intersections along the lower and northeast margins of the deposit, whilst drilling at Alpala Northwest and Alpala Southeast continues to expand the Alpala Deposit. For example, Hole 41-D1-D2, has thus far intersected over 300m of intense visible copper sulphide mineralisation, including chalcopyrite. Hole 41-D1-D1 (abandoned prematurely due to drilling difficulties) assay results returned 431m @ 0.56% CuEq, open at depth (incl. 247m @ 0.65% CuEq, and 93m @ 0.71% CuEq).

Extension drilling at Alpala Central continues to intersect shallow high-grade mineralisation above the existing resource limits, along the southwest margin of the deposit, in a large lobe of early diorite intrusion hosting high-grade mineralisation to within 450m of surface, approximately 250m closer to surface than previously modelled. For example, Hole 60 has thus far intersected over 110m of intense visible copper sulphide mineralisation, including chalcopyrite. Hole 51 final assay results returned 476m @ 0.75% CuEq (incl. 194m @ 1.28% CuEq and 52m @ 3.51% CuEq).

Extension drilling at Alpala Northwest and Alpala Southeast also continues to enlarge the Alpala deposit. For example, Hole 49 final assay results returned 444m @ 0.83% CuEq (incl. 268m @ 1.12% CuEq and 120m @ 1.57% CuEq) and Hole 53 has intersected over 400m of visible copper mineralisation and over 190m of strong highly visible copper mineralisation.

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Exploration drilling at Trivinio prospect recently revealed a new potential for major north extensions to the Alpala Deposit. Final assays from the tail of Hole 49 returned 292m @ 0.6% CuEq (incl. 174m @ 0.71% CuEq).

Highlights from recent visual inspections of drill core and assayed drilling results at Alpala include:

- **Hole 55R** (Alpala Central): over 1000m of intense highly visible copper sulphide mineralisation, including chalcopyrite.
- **Hole 57** (Alpala Central): over 720m of strong highly visible copper sulphide mineralisation, including chalcopyrite (drilling continues).
- **Hole 41-D1-D1** (Alpala Central): 431m @ 0.56% CuEq including 247m @ 0.65% CuEq, and 93m @ 0.71% CuEq (open at depth).
- **Hole 41-D1-D2** (Alpala Central): over 300m of intense visible copper sulphide mineralisation, including chalcopyrite (drilling continues).
- **Hole 42-D2** (Alpala Central): 240m @ 0.90% CuEq (including 52m @ 1.63% CuEq).
- **Hole 60** (Alpala Central): over 110m of intense visible copper sulphide mineralisation, including chalcopyrite.
- **Hole 51** (Alpala Central): 1046m @ 0.48% CuEq (incl. 476m @ 0.75% CuEq ,194m @ 1.28% CuEq and 52m @ 3.51% CuEq).
- **Hole 52** (Alpala Central): 202m @ 0.44% CuEq (including 106m @ 0.67% CuEq).
- **Hole 49** (Alpala Northwest): 444m @ 0.83% CuEq (including 268m @ 1.12% CuEq and 120m @ 1.57% CuEq).
- **Hole 53** (Alpala Southeast): over 400m of visible copper mineralisation, and over 190m of strong highly visible copper mineralisation.
- **Hole 49** tail (Trivinio): returned 292m @ 0.6% CuEq (incl. 174m @ 0.71% CuEq).

Drill hole assays have been received for over 97,000m metres of drilling to date, whilst over 26,500m of drilling has assays pending. Recent construction of an in-country certified preparation facility by ALS Global is expediting assay turnaround. Final assay results for all drilling to date at Cascabel have come from ALS Laboratories in Lima, Peru.

QA / QC protocols in place at SolGold's Cascabel project are in accordance with the National Instrument 43-101 guidelines. SolGold conducts routine database validation and validation of sample results from drilling using Certified reference material (CRM), blanks and duplicate samples. SRK has assessed these results and is of the opinion that assay data for the drilling and sampling has appropriate accuracy and precision. The sample preparation and analysis of drill core and channel samples collected during the Company's drilling and exploration program has been reviewed independently by SRK Exploration. The review of sample preparation, sample and data security procedures and assaying employed, SRK is of the opinion that they are consistent with industry best practices and are suitable for use in a Mineral Resource Estimate.

Aguinaga Drilling Program

Aguinaga drilling is progressing with Hole 7 under way, as SolGold continues drill testing the 5 targets identified at Aguinaga. The drilling program at Aguinaga is only in initial stages. Drilling thus far has intersected mineralised host rock, intra-mineral dykes, and late dykes and breccias and the source mineralising intrusion has yet to be encountered.

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The mineralisation intersected in drilling at Aguinaga thus far has similarities to that discovered at surface in rock saw channel samples that returned an open-ended, rock-saw channel sample result of 9.0m @ 1.51% CuEq (1.01% Cu, 0.79 g/t Au).

SolGold geologists believe that the initial drilling at Aguinaga confirms the potential for a second large porphyry deposit at Cascabel, thus far demonstrating a vertical column to the mineralising system of more than 600m, and a width of approximately 320m.

Highlights from assayed drilling results thus far at Aguinaga include:

- Hole 1 (Aguinaga): 218m @ 0.45% CuEq (including 122m @ 0.52% CuEq)
- Hole 2 (Aguinaga): 172m @ 0.42%CuEq (including 46m @ 0.63% CuEq).

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.

Qualified Person:

Information in this report relating to the exploration results is based on data reviewed by Mr Jason Ward ((CP) B.Sc. Geol.), Exploration Manager Global of the Company. Mr Ward is a Member of the Australasian Institute of Mining and Metallurgy, holds the designation MAusIMM (CP), and has in excess of 20 years' experience in mineral exploration and is a Qualified Person for the purposes of the relevant LSE and TSX Rules. Mr Ward 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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Figure 1: Location of Cascabel project in northern Ecuador, highlighting the significant capital advantages held by the project, with proximity to ports, road infrastructure, hydro-electric power stations and the trans-continental power grid.

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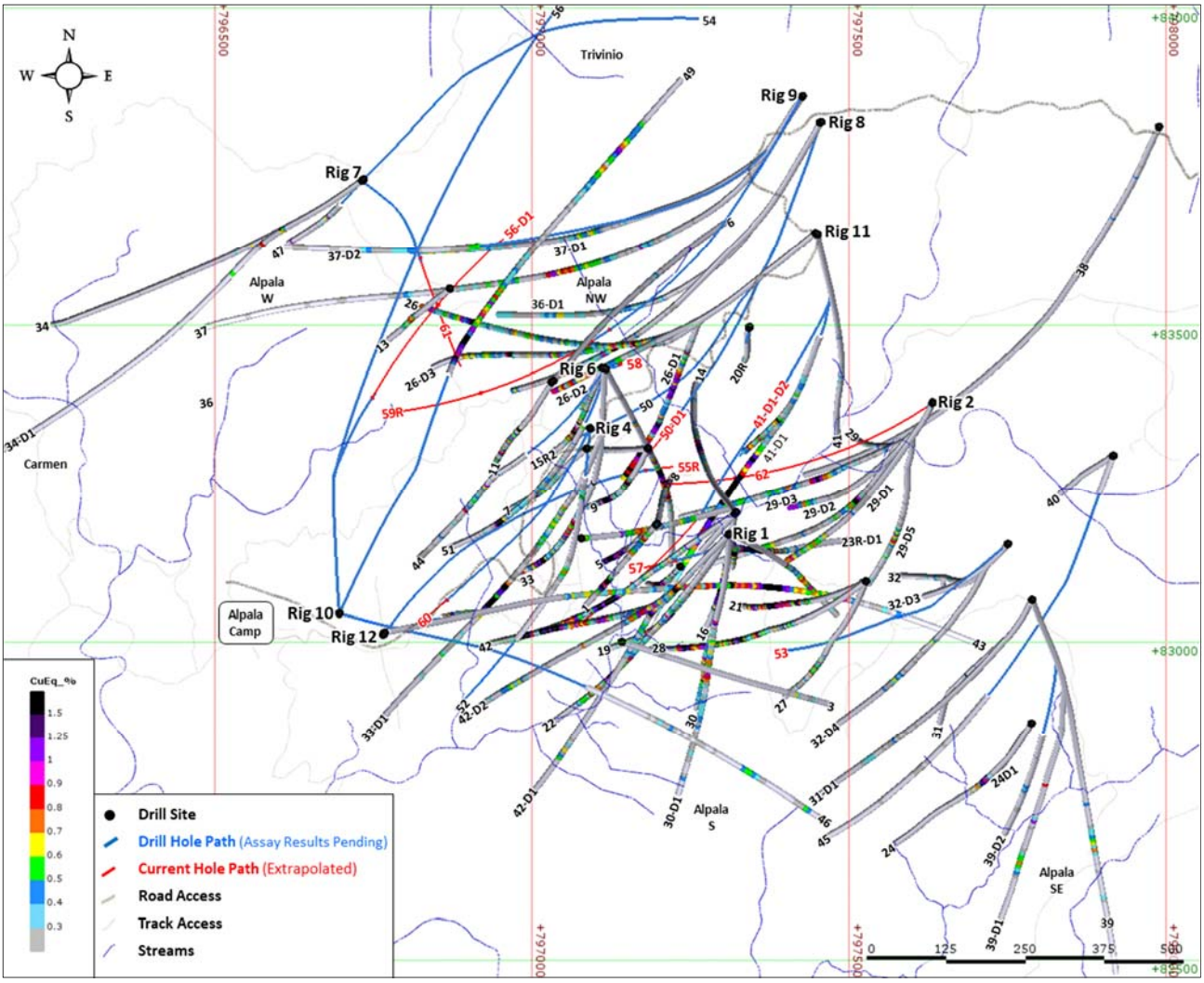

Figure 2: Drill Hole Plan along the greater Alpala area, showing copper equivalent assay results, current drill holes depth and intervals awaiting assay results indicated in **blue** and current hole path projections shown in **red**.

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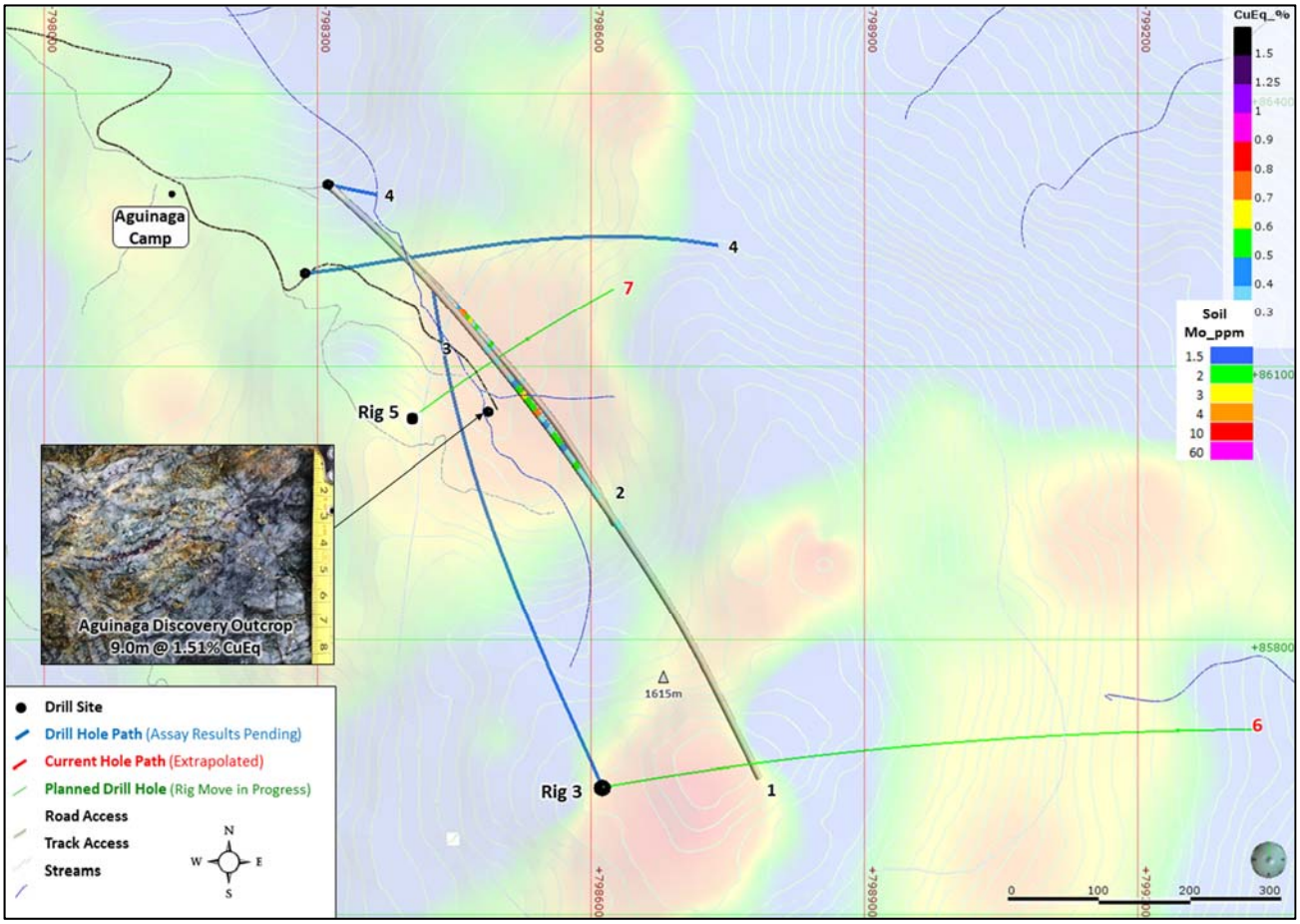

Figure 3: Drill Hole Plan over Aguinaga prospect area, showing copper equivalent assay results, current drill holes depth and intervals awaiting assay results indicated in **blue** and current hole path projections shown in **red**. Next planned drill holes aiming at high-grade targets are shown in **green**.

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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 – Exploration, Latin America. SolGold won the Exploration Award for Latin America, and Ecuador won the Country Award for Latin America. Each party then duly won the 2017 award for each respective category on a global basis at London Mines and Money on 30 November 2017.

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. In November 2017 SolGold raised a further £45m at 25p per share, placed with institutions and Newcrest pursuant to their anti-dilution rights. SolGold currently has circa USD80m in available cash to continue the exploration and appraisal of its flagship Cascabel Project, and with which to conduct regional exploration programs on its 73 other 100%-owned projects in its wholly owned subsidiary companies.

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 Joint Venture). 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/) flagship copper-gold porphyry project, is located in northern Ecuador on the under-explored northern section of the richly endowed Andean Copper Belt. Having fulfilled its earn-in requirements, SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in ENSA (Exploraciones Novomining S.A.) 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.

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 would have otherwise 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.

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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, and logistics are important competitive advantages offered by the project. 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 completed geological mapping, soil sampling, rock saw channel sampling, geochemical and spectral alteration mapping over 25km^2, along with an additional 9km^2 of Induced Polarisation and 14km^2 Magnetotelluric "Orion" surveys over the Alpala cluster and other targets at Aguinaga, Parambas, Tandayama-America, Moran and Chinambicito.

SolGold has completed approximately 124,000m of drilling and expended over USD110M 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 all holes drilled 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. Intensive diamond drilling is planned for the next 12 months with up to 12 drill rigs operational.

SolGold has drill tested 9 of 15 copper-gold targets delineated in the 50km^2 tenement with a focus on Alpala and Aguinaga.

The Company and its external consultants prepared an initial mineral resource estimate at the Cascabel Project in December 2017. Results are summarised in **Table B** within the Cautionary Statement. The Mineral Resource Estimate was completed from 53,616m of drilling in mid-December 2017, the cut-off date for the maiden resource calculation. The Company has now drilled approximately 124,000m metres as at the date of this announcement. There remains strong potential for further growth from more recent drilling results, and continued rapid growth of the deposit.

The Company is currently planning further metallurgical testing and completion of an independent Preliminary Economic Assessment and Pre-Feasibility Studies 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.

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SolGold, through its 4 subsidiary companies, has 100% ownership of extensive concession areas 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. Significant copper occurrences have been identified at numerous projects to date, including 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 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 to apply its intellectual property and experience developed at Cascabel to target additional "World Class" copper gold porphyries within Ecuador and at Kuma in 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 1,696,245,686 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".

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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. 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 (1) Singer and Menzie, 2010; (2) Schodde, 2006; (3) Schodde and Hronsky, 2006; (4) Singer, 1995; (5) Laznicka, 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 and its external consultants prepared an initial mineral resource estimate at the Cascabel Project in December 2017. Results are summarised in **Table B** attached.

The Mineral Resource Estimate was completed from 53,616m of drilling, approximately 84% of 63,500m metres drilled as of mid-December 2017, the cut-off date for the maiden resource calculation. There remains strong potential for further growth from more recent drilling results, and continue rapid growth of the deposit.

Any development or mining potential for the project remains speculative.

On the basis of the drilling results to date and the results of the Alpala Maiden Mineral Resource Estimate, 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 A**.

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

Source: after MinEx Consulting, May 2017

[1] Source: http://www.mining-technology.com/projects/la-colosa
[2] Source: http://www.angloamerican.com/media/press-releases/2009
[3] Source: http://www.pretivm.com/projects/brucejack/overview/
[4] Source: https://www.ivanhoemines.com/projects/kamoa-kakula-project/
[5] Source: http://www.newcrest.com.au/media/resource_reserves/2016/December_2016_Resources_and_Reserves_Statement.pdf
[6] Source: http://www.canadianminingjournal.com/news/gold-iamgold-files-cote-project-pea/
[7] Source: http://www.zhaojin.com.cn/upload/2015-05-31/580601981.pdf
[8] Source: https://mrdata.usgs.gov/sedau/show-sedau.php?rec_id=103
[9] Source: http://www.chinadaily.com.cn/business/2017-03/29/content_28719822.htm

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

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	Resource Category	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	CuEq (%)	Cu (Mt)	Au (Moz)	CuEq (Mt)
>1.1% CuEq	Indicated	70	1.1	1.3	1.8	0.7	2.8	1.2
	Inferred	50	1.1	1.3	1.8	0.5	1.9	0.8
0.9 - 1.1% CuEq	Indicated	50	0.7	0.5	1.0	0.3	0.9	0.5
	Inferred	50	0.7	0.5	1.0	0.4	0.9	0.5
0.3 - 0.9% CuEq	Indicated	310	0.4	0.2	0.5	1.2	2.3	1.6
	Inferred	550	0.4	0.2	0.5	2.0	3.5	2.6
Total >0.3% CuEq	**Indicated**	**430**	**0.5**	**0.4**	**0.8**	**2.3**	**6.0**	**3.4**
	Inferred	**650**	**0.4**	**0.3**	**0.6**	**2.9**	**6.3**	**4.0**

Table B: Alpala Mineral Resource statement as of 18 December 2017

Notes:

- Mr. Martin Pittuck, MSc, CEng, MIMMM, is responsible for this Mineral Resource estimate and is an "independent qualified person" as such term is defined in NI 43-101.
- The Mineral Resource is reported using a cut-off grade of 0.3% copper equivalent calculated using [copper grade (%)] + [gold grade (g/t) x 0.6] based on a copper price of US$2.8/lb and gold price of US$1,160/oz.
- The Mineral Resource is considered to have reasonable potential for eventual economic extraction by underground mass mining such as block caving.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014).
- The MRE is reported on 100 percent basis.
- Values given in the table have been rounded, apparent calculation errors resulting from this are not considered to be material.
- The effective date for the Mineral Resource statement is 18th December 2017.

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