

SolGold plc
 (“SolGold” or the “Company”)

Upgrade of Cascabel Hole 17 Assay Results

Further to the announcement of 12 July 2016, the Directors of SolGold herewith provide a correction to the assay results from CSD-16-017 (“Hole 17”) at the Cascabel Porphyry Copper-Gold Project in Northern Ecuador. Cascabel is held by Exploraciones Novamining SA in which SolGold holds an 85% interest. The correction to Hole 17 results increases the grade of the previously announced intersections, as well as the length of the high grade zone.

HIGHLIGHTS:

- **Upgrade due to correction of a reporting error on assay grades from the independent laboratory.**
- **High grade intersection increased from 136m @ 1.28% copper and 2.20 g/t gold (3.24% copper equivalent) to 150m @ 1.54% copper and 2.05 g/t gold (3.36% copper equivalent).**
- **Overall hole intersection upgraded from 948m @ 0.54% copper and 0.53g/t gold (1.01% copper equivalent) to 948m @ 0.60% copper and 0.53 g/t gold (1.07% copper equivalent).**

FURTHER INFORMATION:

The Directors of SolGold advise of an increase in the length of and reported grade of the Hole 17 intersections, extending the high grade zone by a further 14 metres below 982m to a depth of 996m, due to corrections to copper grades within the interval from 950m to 1002m. The corrected assay results for Hole 17 are presented below.

Hole ID	DepthFrom m	DepthTo m	Interval m	Cu %	Au g/t	Cu.Eq %	Cut-off (CuEq%)	m% (CuEq%)
CSD-16-017	330	1278	948	0.60	0.53	1.07	0.20	1014.4
CSD-16-017	702	1264	562	0.79	0.75	1.46	0.50	820.5
CSD-16-017	784	1032	248	1.16	1.36	2.37	0.70	587.8
CSD-16-017	846	996	150	1.54	2.05	3.36	1.50	504.0

* Data Aggregation Method: intercepts reported using copper equivalent cutoff grades, with up to 10m internal dilution, excluding bridging to a single sample. Gold Conversion Factor of 0.89 calculated from a copper price of US\$2.20/lb and a gold price US\$1350/oz.

For comparison, the assay results for Hole 17 originally reported on 12 July 2016 were as follows:

Hole ID	DepthFrom m	DepthTo m	Interval m	Cu %	Au g/t	Cu.Eq %
CSD-16-017	330	1278	948	0.54	0.53	1.01
CSD-16-017	702	1264	562	0.70	0.75	1.36
CSD-16-017	784	1032	248	0.94	1.36	2.16
CSD-16-017	846	982	136	1.28	2.20	3.24



The increase is as a result of the correction of a reporting error by the laboratory and the re-assay of misreported multi-element results corresponding to samples from 950m to 1002m depth.

The error was detected by SolGold geologists on site by comparison of visual mineralisation with reported assay grades, after the original results were announced.

SolGold runs, as a matter of course, a process of duplicates, standards and blanks in its sample assay protocol which will detect assay errors but did not pick out reporting errors by the assay laboratory.

SolGold will adopt a further protocol of comparison of reported assay grade and visual estimates prior to announcement of all assay reporting to avoid this error occurring again in the future.

By order of the Board
Karl Schlobohm
Company Secretary

Qualified Person:

Information in this report relating to the exploration results is based on data reviewed by Mr Nicholas Mather (B.Sc. Hons Geol.), the Chief Executive Officer of the Company. Mr Mather is a Fellow of the Australasian Institute of Mining and Metallurgy who has in excess of 30 years' experience in mineral exploration and is a Qualified Person under the AIM Rules. Mr Mather consents to the inclusion of the information in the form and context in which it appears.

CONTACTS

Mr Nicholas Mather
SolGold Plc (Executive Director)
nmather@solgold.com.au

Tel: +61 (0) 7 3303 0665
+61 (0) 417 880 448

Mr Karl Schlobohm
SolGold Plc (Company Secretary)
kschlobohm@solgold.com.au

Tel: +61 (0) 7 3303 0661

Mr Ewan Leggat
SP Angel Corporate Finance LLP (NOMAD and Broker)
ewan.leggat@spangel.co.uk

Tel: +44 (0) 20 3470 0470

Follow us on twitter [@SolGold_plc](https://twitter.com/SolGold_plc)



NOTES TO EDITORS

SolGold is a Brisbane, Australia based, AIM-listed (SOLG) copper gold exploration and development company with assets in Ecuador, the Solomon Islands and Australia. The Company's objective is to create substantial shareholder value by discovering and defining world-class copper-gold deposits. SolGold's Board and Management Team have high vested interests in the success of Company, holding approximately 14% of its issued share capital, as well as strong track records in the areas of exploration mine development, investment, finance and law. SolGold's experience is augmented by state of the art geophysical techniques and the guidance of Newmont trained porphyry expert Dr Steve Garwin.

Cascabel, the Company's world class flagship copper-gold porphyry project, is located in North West Ecuador on the under-explored northern section of the richly endowed Andean Copper Belt. SolGold owns 85% of Exploraciones Novomining S.A. ("ENSA") and approximately 11% of TSX-V-listed Cornerstone Capital Resources, which holds the remaining 15% of ENSA, the Ecuadorian registered company which holds 100% of the Cascabel concession.

To date the Company has completed geological mapping, soil sampling, 14km² and 9km² Induced Polarisation and Magnetotelluric "Orion" surveys at the Alpala and Aguinaga targets respectively. By June 2016, the Company had completed approximately 25km² of soil sampling, 14km² of electrical surveys, 23,700m of drilling and expended a total of approximately US\$32m on the program, corporate costs and investments. Diamond drilling currently continues with two drilling rigs.

Cascabel is characterised by multiple targets, world class drilling intersections over 1km in length, and high copper and gold grades, as well as logistic advantages in location, elevation, water supply, proximity to road, port and power services and a progressive legislative approach to resource development.

SolGold is planning a resource statement at Alpala the most advanced target at Cascabel during 2016, in addition to drill testing the other key targets in the Cascabel concession at Aguinaga, Trivinio, Moran, Alpala Northwest, Hematite Hill, Alpala Southeast, Cristal, Tandayama-America and Chinambicito. By the end of 2016 the Company is planning further metallurgical testing, and completion of early stage mine and plant design and a scoping study for an economic development at Cascabel. SolGold is investigating both high tonnage / low grade open cut and high grade / low tonnage underground developments as a block caving operation.

Drill hole intercepts are calculated 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 0.89, determined using copper price of US\$2.20/pound and gold price of US\$1350/ounce.

In Queensland, Australia the Company is evaluating the future exploration plans for the Mt Perry, Rannes and Normanby projects. Joint venture agreements are still being investigated with the strategy for the joint venture partner to commit funds and carry out exploration to earn an interest in the tenements.

SolGold is based in Brisbane, Queensland, Australia. The Company listed on London's AIM Market in 2006, under the AIM code 'SOLG' and currently has a total of 953,897,601 ordinary shares issued, 820,000 options exercisable at 50p, 5,030,000 options exercisable at 28p and 8,030,000 options exercisable at 14p.



CAUTIONARY NOTICE

The news release may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's directors. Such forward-looking 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 forward-looking statements. Accordingly, you should not rely on any forward-looking statements and save as required by the AIM Rules for Companies or by law, the Company does not accept any obligation to disseminate any updates or revisions to such forward-looking statements.