11 September 2013

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

First Drill Hole at Cascabel Project Intersects Porphyry Copper Mineralisation at Alpala Prospect

The Board of SolGold (AIM code: SOLG) is pleased to report on exploration progress at its Cascabel Project, the Company's copper-gold project in northern Ecuador. Significant visual mineralisation has been intersected in the first drill hole at Alpala. The Company intends to issue a comprehensive drilling report upon receipt of assay results from the mineralised core.

Highlights:

- **Drill Hole CSD-13-001 intersects visually identified porphyry copper stockwork and strongly sheeted quartz vein mineralisation at Alpala.**
- **Upper main stockwork zone intersected over 111.5 metres downhole (from 51.5m to 163m) with variable copper sulphides (chalcopyrite, chalcocite and bornite).**
- **Lower strongly sheeted and well-mineralised quartz vein zone intersected over 60 metres downhole (from 225m to 285m) with visible chalcopyrite and chalcocite.**
- **The presence of magnetite and potassium feldspar as alteration and veins in relic windows in the drill core suggests the presence of the upper parts of an inner potassic alteration zone which is the core target in some porphyry copper gold systems.**

Commenting on today's update, CEO, Alan Martin stated, **"These initial visual results are highly encouraging and indicate extension of mineralisation at depth below surface sampling in Trench TH46. The rest of the holes in the Stage 1 drill program are expected to be completed over the next eight weeks and I look forward to updating shareholders with our progress".**

SolGold currently holds a 50% interest, and can earn up to an 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. Cornerstone has been operating in Ecuador for six years and employs highly experienced Ecuadorian geologists to carry out exploration and related administrative functions for the Cascabel Project. SolGold also employs several key exploration management personnel on the project.

The Cascabel project is located in north-western 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 60km to the southwest of Cascabel, the 4.2 billion tonne at 0.35% Cu Cobre Panama deposits 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 ozs of gold in similar geological environments.

The Alpala Prospect exhibits surface mineralisation and alteration patterns indicative of porphyry copper gold systems and has a similar footprint to large porphyry systems around the world.

Drill Hole CSD-13-001 Intersects Visually Identified Porphyry Copper Mineralisation

Drill Hole CSD-13-001, the first hole to test the Alpala Prospect at the Cascabel Project, has intersected visible porphyry copper mineralisation across two zones, and strongly sheeted quartz vein and copper mineralization in the lower zone.

Hole CSD-13-001 supports the significance of the mineralised zones at surface encountered during geological mapping, channel trenching and sampling at the Alpala Prospect over the last six months. CSD-13-001 drilled beneath Trench 46 (TH 46), which encountered 46m at 0.59% Cu and 0.81 g/t Au (as reported on 25 March 2013).

Hole CSD-13-001 is characterised by abundant and complex fracturing, variably strong quartz veining and copper sulphide mineralisation indicative of the upper parts of a copper gold porphyry system. The drill core also exhibits overprinting by a late phase of strongly mineralised sheeted quartz veins at depth. This phase is expected to significantly lift the copper and gold grades in the lower mineralised zone. It should also be noted that gold is associated with the copper mineralisation in surface trench sampling.

Technical Summary of CSD-13-001

Drill hole CSD-13-001 was drilled at an inclination of 60 degrees below trench TH46 at Alpala, towards an azimuth of 225 degrees and to a final down-hole depth of 349 metres.

Two extensive intervals of porphyry stockwork and sheeted veining from 51.5m to 163m and from 225m to 285m were visually identified in the hole. The shallower 111.5m-long zone of stockwork veining directly underlies the area of trenching at surface and confirms continuity of veining and alteration into the sub-surface. The deeper zone of sheeted and stockwork veining was encountered at depths up to 240m vertically below the western margin of the surface trenching at Alpala. The uppermost and intervening intervals between the two mineralised zones in the drill core also encountered stockwork veining albeit at lower levels of intensity.

Visible copper sulphide minerals were encountered coinciding with the two areas of more intense stockwork veining, and include veins containing chalcopyrite, disseminations and aggregates of chalcocite and visible bornite. The annotated photographic images below show examples of the copper sulphides and the stockwork and sheeted quartz veins intersected in the upper and lower mineralised zones respectively.

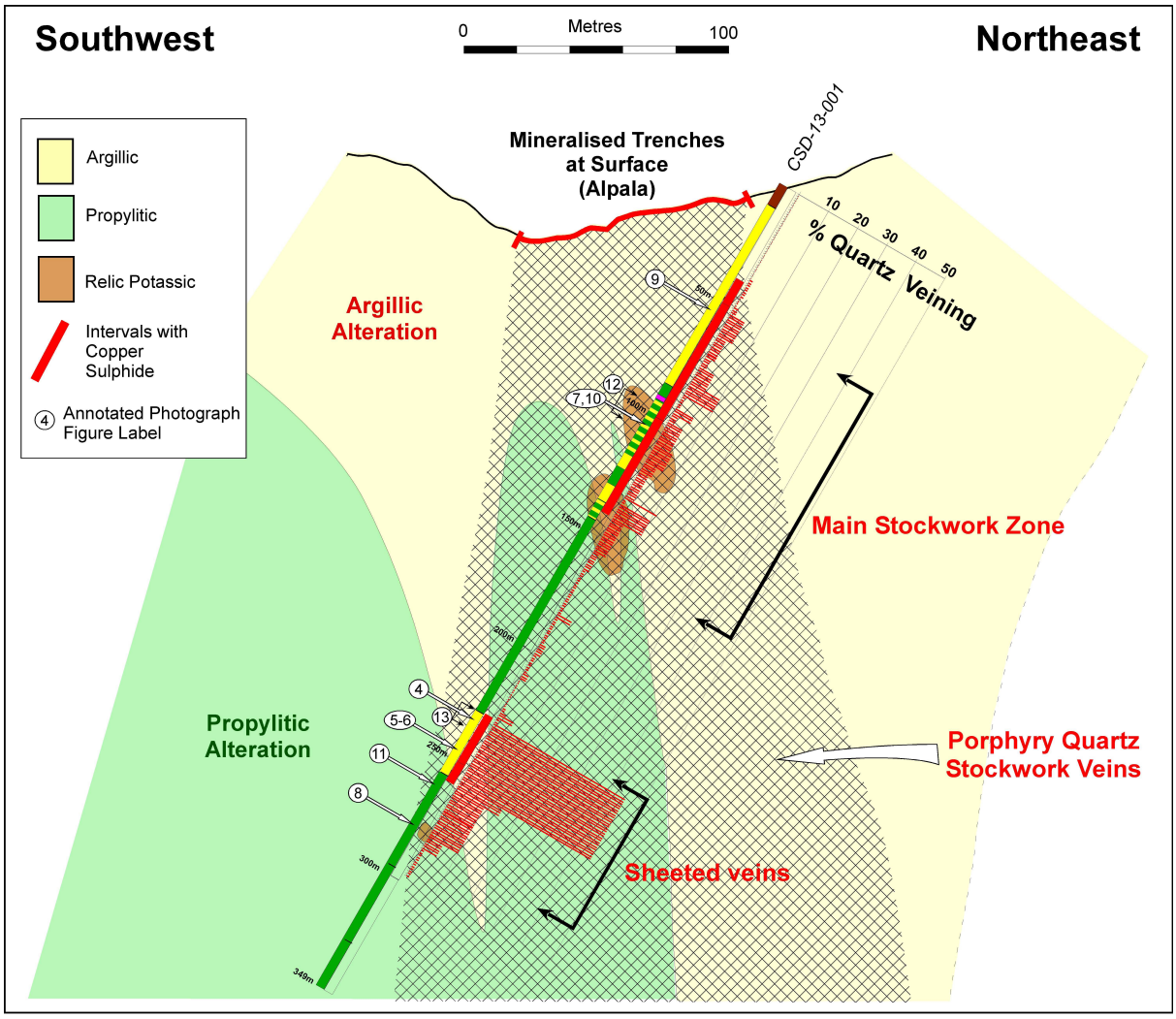


Figure 1 – Northeast-southwest cross-section through drill hole CSD-13-001 at Alpala, showing intensity of quartz veining and intense accompanying argillic alteration.

The dominant lithologies encountered in the hole were volcaniclastic breccias that are cross-cut by narrow zones of hydrothermal breccia and multiple generations of dyke-like intrusions of porphyritic rocks in the deeper part of the hole. The alteration in the shallow part of the hole is dominated by argillic (clay-rich) alteration that coincides with the uppermost stockwork zone. Intense argillic alteration was also encountered further down in the hole, coinciding with the zone of sheeted porphyry quartz veins. The deepest part of the hole increasingly intersected propylitic-altered (outer alteration zone) rocks towards the southwest margin of the system. Local areas of magnetite and relic potassic alteration typical of a copper gold porphyry system were encountered in the central parts of the hole. This alteration is expected to intensify towards the east in the area of the large magnetic apophysis below the Alpala lithocap.

Visual estimates of quartz vein intensities within the upper stockwork zone vary between 2 and 10 percent quartz veining, and then increase to around 45 percent quartz veining in the deeper sheeted vein zone.

These results are highly encouraging and confirm the extension of mineralisation at depth below surface sampling in Trench TH46. The zone of argillic or clay-rich alteration and porphyry stockwork quartz veining appears open to extensions toward the east, northeast, north and northwest of this first drill hole. The drill core will be cut and despatched to the laboratory for assay.

Figures 2 and 3:

Jason Ward, SolGold Consultant Senior Geologist inspecting mineralised drill core from drill hole CSD-13-001 at the Cascabel core yard and site office

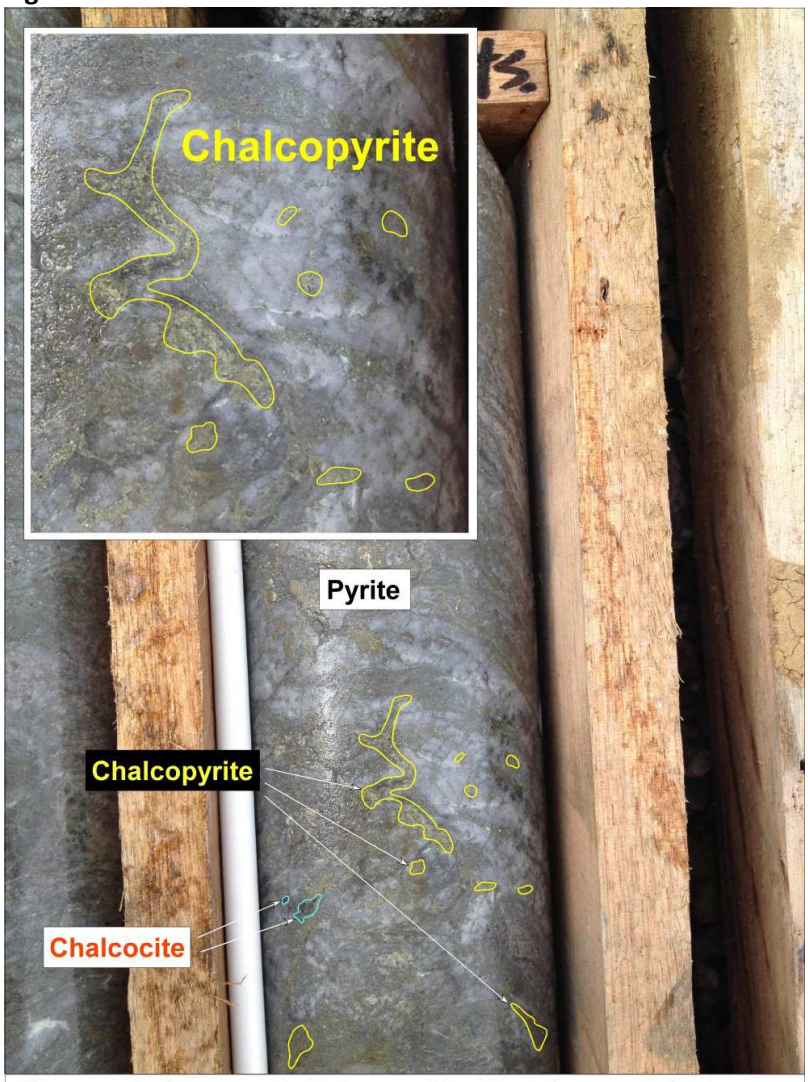
Cornerstone geologist Osman Poma logging drill core from drillhole CSD-13-001 from Alpala (Cascabel Project).

The mineral zonation encountered in hole CSD-13-001 suggests that the core of the porphyry system lies to the east and may be coincident with an extensive magnetic anomaly modeled in three dimensions as an apophysis from a deeper intrusion sourcing metals to hydrothermal fluids.

Future drill holes in the planned five hole, 2500 metre program are targeted to test both the stockwork zone, the overprinted sheeted vein system and the porphyry core modeled to the east. The rest of the holes in the Stage 1 drill program are expected to be completed over the next eight weeks. The rig will be moved to drill site CSD-13-002 which is targeted to test beneath surface trench results being: 56.93 m @ 0.34% Cu and 1.16 g/t Au. The Company will also be considering extending the drilling contract pending a review of results on completion of the Stage 1 program.

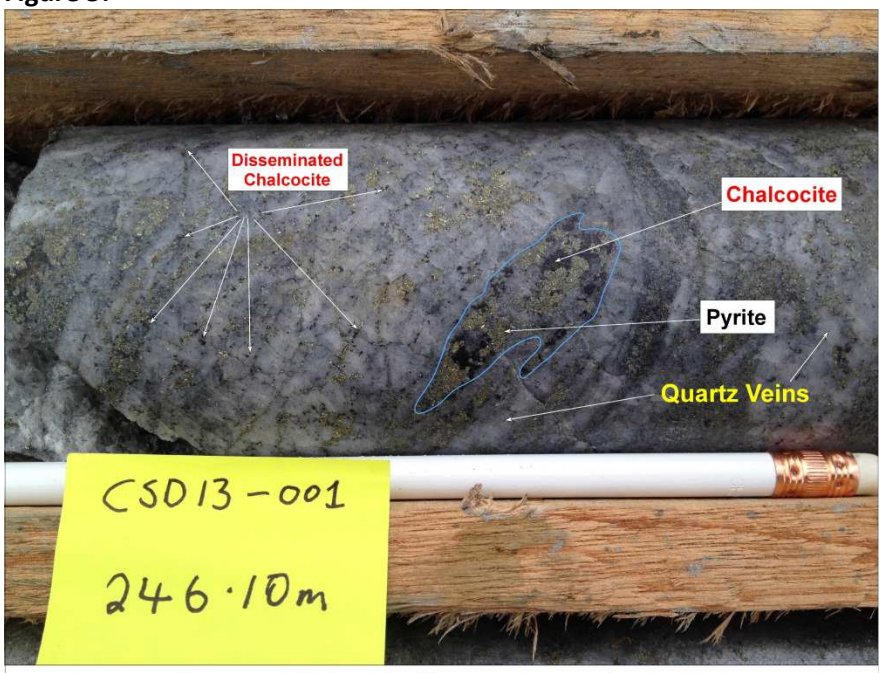
Photographs of drill core from hole CSD-13-001 are attached below (Figures 4 to 13).

Figure 4:



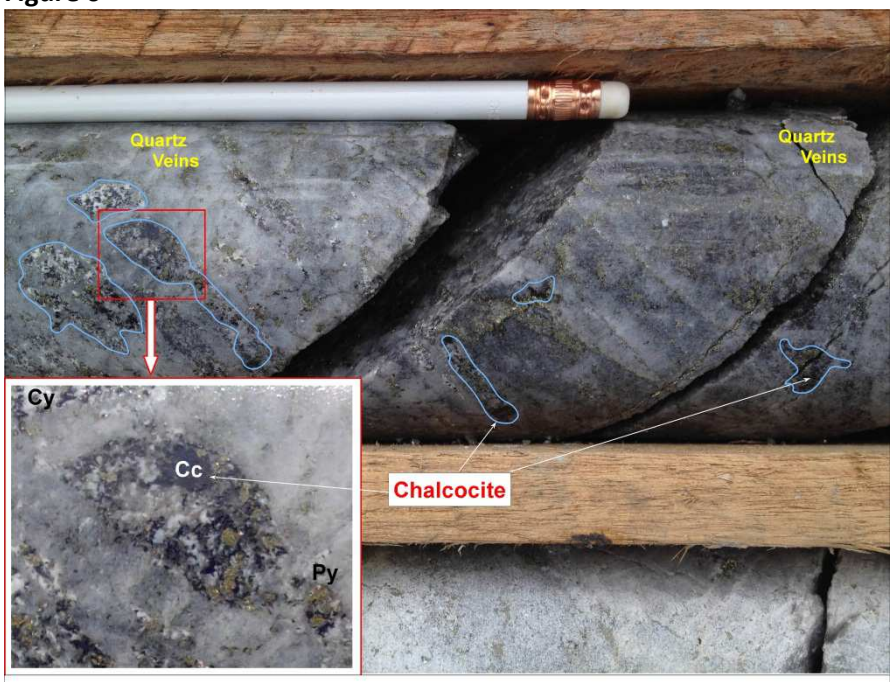
Sheeted Quartz B-Veins with Blebby and Stringer Chalcopyrite Mineralisation
CSD-13-001 (233.17m)

Figure 5:



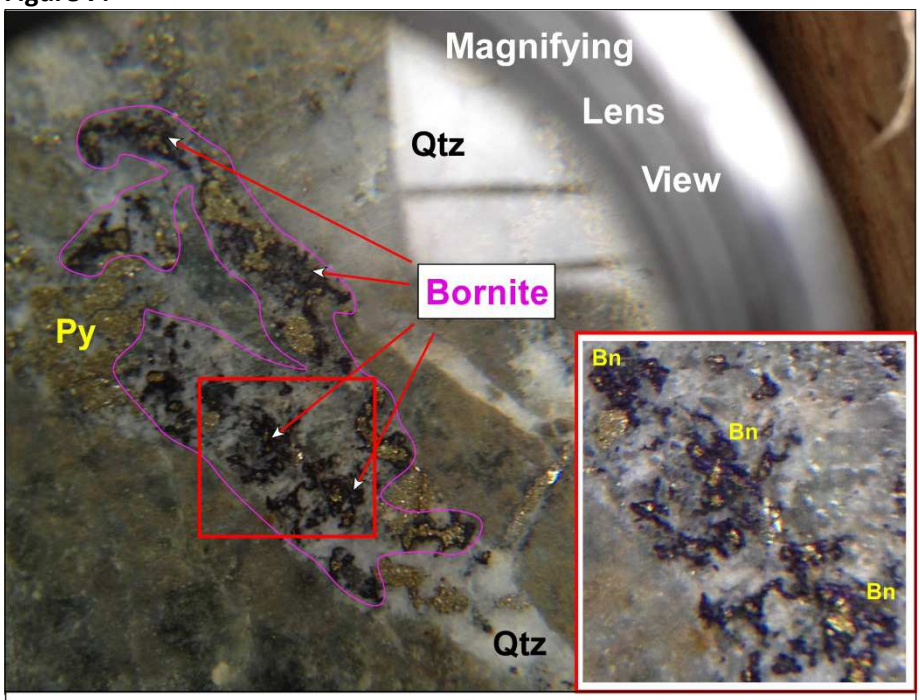
Sheeted Quartz B-Veins (95% of rockmass) with Blebby and Disseminated Chalcocite Mineralisation
CSD-13-001 (246.10m)

Figure 6



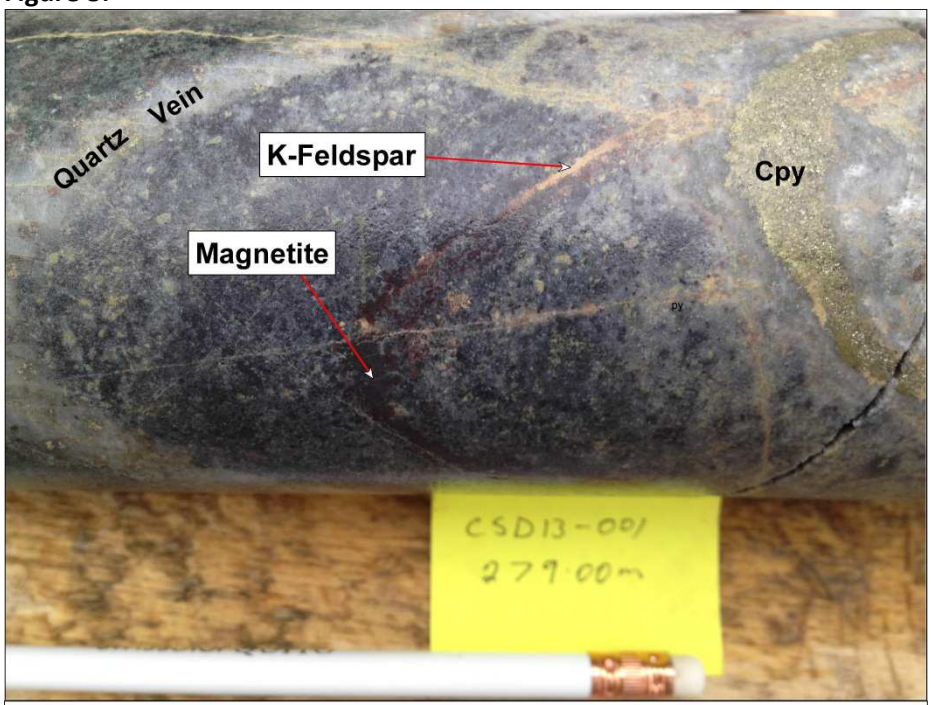
Aggregates of Chalcocite (Cc), Pyrite (Py) and Clay (Cy) within heavily quartz veined intrusive
CSD-13-001 (247.30m)

Figure 7:



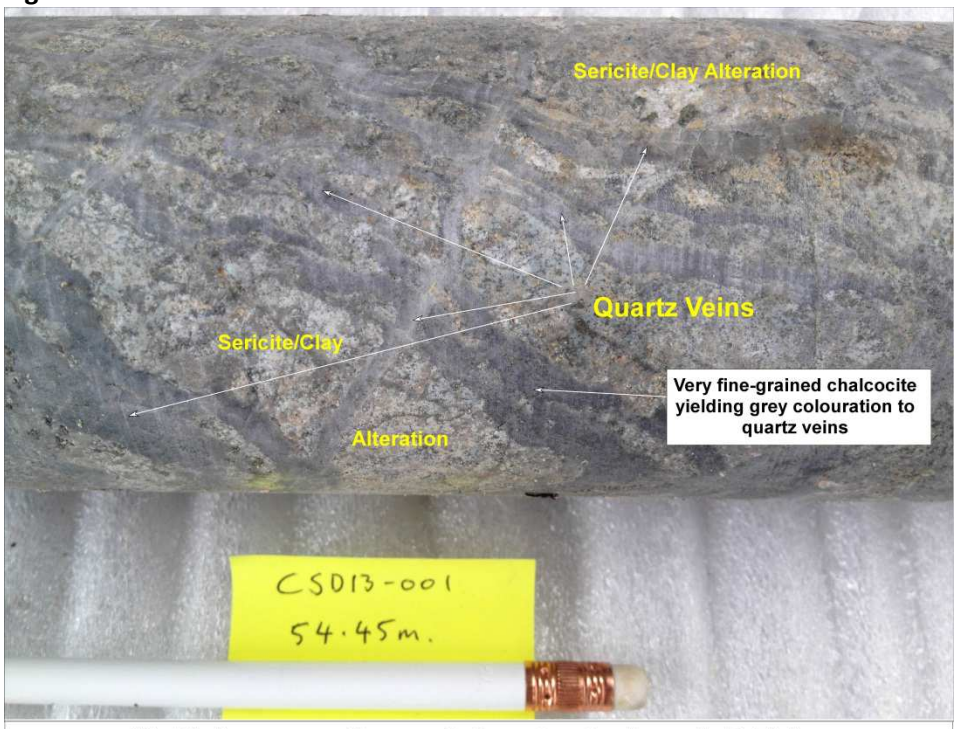
Quartz - Pyrite (Py) - Bornite (Bn) vein
CSD-13-001 (104.30m)

Figure 8:



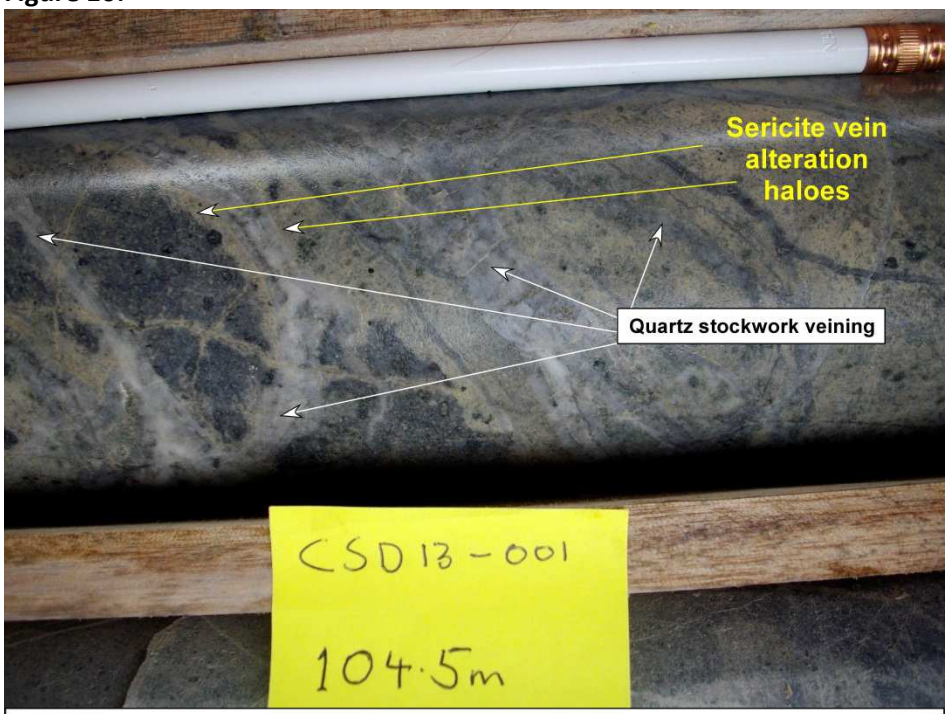
Magnetite - Potassium Feldspar vein overprinted by a Chalcopyrite vein (Cpy) in a zone of deep relic potassic alteration
SD-13-001 (279.00m)

Figure 9:



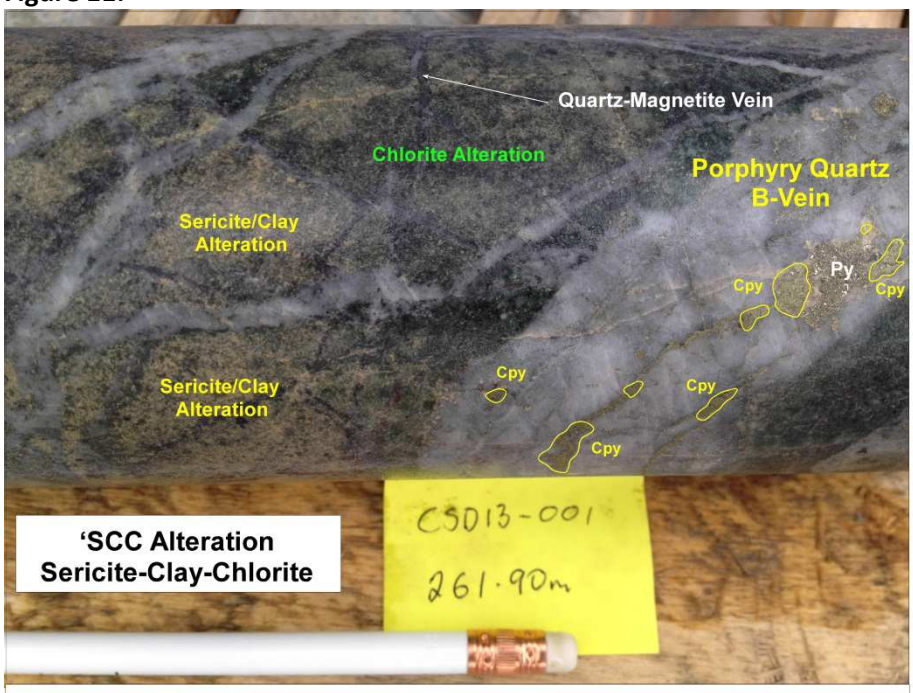
Multiple generations of Quartz stockwork B-Veins (35% of rockmass)
CSD-13-001 (54.45m)

Figure 10:



Quartz stockwork veins with 'bleached' sericitic alteration haloes
Typical porphyry quartz vein textures
CSD-13-001 (104.50m)

Figure 11:



Porphyry stockwork veins with Chalcopyrite (Cpy) and Pyrite (Py) in SCC altered protolith
CSD-13-001 (261.90m)

Figure 12:

Quartz Stockwork Veins in Sericite-Chlorite altered protolith
CSD-13-001 (95.68m to 106.24m)

Figure 13:

Sheeted Porphry Quartz B-Veins
CSD-13-001 (230.00m to 237.11m)

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 15.1% 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 554,054,342 fully-paid ordinary shares, 18,788,000 options exercisable at 50p, 7,750,000 options exercisable at 28p, 4,750,000 options exercisable at 14p, and 3,000,000 options exercisable at 6p on issue.