30 June 2016

SolGold plc

("SolGold" or the "Company")

Alpala Deposit Extended by Long Intersections in Hole 15R2

The Board of Directors of SolGold (AIM: SOLG) wish to provide shareholders with the following update from its Cascabel Copper-Gold Porphyry Project in Ecuador.

HIGHLIGHTS:

- **Hole 15R2 (CSD-16-15R2) returns 1,338m @ 0.49% copper and 0.36g/t gold (0.81% copper equivalent) from 394m at Alpala.**
- **Higher grade sections within this envelope include:**
  - **344m @ 0.86% copper and 0.68g/t gold (for 1.47% copper equivalent) from 1294m, and**
  - **750m @ 0.67% copper and 0.50g/t gold (for 1.12% copper equivalent) from 890m**
- **Average of all assayed core to date at Alpala of 0.37% copper and 0.35g/t gold across Alpala mineralised zone 700m long, up to 500 m wide and 1,800m vertical extent.**
- **Alpala remains open in all directions.**
- **Hole 15R2 extends Alpala mineralised zone by 100m at depth, and 100m to the north and north east.**
- **Hole 17 results testing shallow south westerly extensions of the deposit are expected within 10 days.**
- **Further targets have been identified via magnetic modelling, bringing the total number of targets identified to 14 in total. A final version of the model across the entire tenement survey is expected within 2 weeks.**

FURTHER INFORMATION:

The Directors of SolGold advise that assay results for Drill Hole 15R2 have now been received. The hole returned intersections of up to 1,338m (averaging 0.81% copper equivalent) from a depth of 394 metres (refer **Table 1**), further demonstrating the extent and strength of the Alpala porphyry zone at the Cascabel Project in Northern Ecuador.

The Cascabel Project is located on the gold rich northern section of the prolific Andean Copper belt renowned as the production base for nearly half of the world's copper (refer **Figure 1,** Location**,** and **Figure 2,** Regional Setting). SolGold holds an 85% interest in ENSA (Exploraciones Novomining S.A.) which holds the Cascabel tenement.

Commenting on the result, Executive Director Mr Nick Mather said; *"An intersection of over 1,300m at an average grade of 0.81% copper equivalent is outstanding. The Alpala system is clearly very strong, very rich and very large. We have only tested 20% of the surface footprint of the greater Alpala target area. The Alpala deposit remains open in all directions and the impressive average across all assayed core of 0.37% copper and 0.35g/t gold indicates that it's a very fertile system. To date a total of 14 porphyry targets have been identified and it is possible that some of the others could be even better than Alpala. Importantly, we have now refined the magnetic model so that it is a very good predictive tool for targeting. All of this plus the outstanding regulatory, capital and operating cost advantages for Cascabel bode very well for this project*"

The Alpala deposit has now been intersected in 17 of 18 drill holes put into the project for a total of 23,700m of drilling. The deposit lies over a 700m strike extent, oriented north westerly and up to 400m wide with a drill intersected vertical extent of 1,800m. Hole 15R2 was located approximately 100m north of Hole 7 (refer **Figure 3,** Drill Hole Location Plan and **Figure 4,** 3D model of the Alpala Deposit).

Within the mineralised zone intersected in Hole 15R2, a number of higher grade zones were encountered as set forth in **Table 1** below:

Hole ID	DepthFrom	DepthTo	Interval (m)	Cu_%	Au_g/t	Cu.Eq_%	
CSD-16-015R2	394	1732	**1338**	**0.49**	**0.36**	***0.81***	*including:*
CSD-16-015R2	666	1694	**1028**	**0.57**	**0.42**	***0.94***	*including:*
CSD-16-015R2	890	1640	**750**	**0.67**	**0.50**	***1.12***	*including:*
CSD-16-015R2	1092	1220	**128**	**0.73**	**0.64**	***1.30***	*and*
CSD-16-015R2	1294	1638	**344**	**0.86**	**0.68**	***1.47***	*high grade lower zone*
CSD-16-015R2	1294	1516	**222**	**1.01**	**0.86**	***1.78***	*including:*
CSD-16-015R2	1296	1490	**194**	**1.08**	**0.94**	***1.92***	

Table 1: Mineralised intersections in Hole 15R2 at the Alpala deposit.

Hole 15R2 targeted extensions of the Alpala deposit to the north, northeast, and at depth, some 100m north of the deeper high-grade zone intersected in Hole 9, which returned 1050.8m @ 0.68% Cu and 0.92g/t Au, including 420m @ 1.00% copper and 1.34g/t gold. Hole 15R2 has extended the Alpala Deposit by 100m depth, and 100 metres north and north east.

Examples of mineralised drill core encountered in Hole 15R2 are illustrated in **Figure 5**.

Hole 17 Update

Hole 17 (CSD-16-017) targeted shallow extensions of the Alpala deposit to the west, along the interpreted continuation of strong copper and gold mineralisation intersected in Holes 1, 5 and 12, which returned intersections including:

- **Hole 1:** 318m @ 0.39% Cu and 0.48g/t Au from 16m, including 100m @ 0.65% Cu and 1.00g/t Au from 222m.
- **Hole 5:** 1306m @ 0.62% Cu and 0.54g/t Au from 24m, including 552m @ 1.03m% Cu and 1.05g/t Au from 778m.
- **Hole 12:** 1312m @ 0.67 % Cu and 0.63 g/t Au from 128m, including 576m @ 1.03m % Cu and 1.19 g/t Au from 844m.

Hole 17 intersected significant, intrusion hosted, visible porphyry style copper sulphide mineralisation from 332m depth for 938m to 1270m depth. Within this broad zone, Hole 17 intersected approximately 384m of intense mineralization from 796m. Within this zone, the hole also intersected 198m of very intense visible bornite-chalcopyrite copper sulphide mineralisation from 796m to 994m. Bornite and chalcopyrite are important copper ore minerals containing around 63% and 35% copper, respectively.

The intersection in Hole 17 has the effect of extending the mineralised envelopes of the Company's 3D Leapfrog™ models of the Alpala Deposit to the south west by 150 metres and upwards (shallower) by approximately 300 metres. This is expected to significantly enhance the resource potential at high cut-off grades in the vicinity of Hole 17.

Alpala is characterised by a series of telescoped mineralised diorite and quartz diorite intrusions hosting quartz, magnetite and chalcopyrite veins with disseminated chalcopyrite and bornite within the groundmass of the porphyry system.

SolGold considers that the causative intrusion driving the copper and gold mineralisation at Alpala has only been intersected in Drill Hole 8, and that further testing of this strongly mineralised source intrusion offers considerable potential to extend the size and grade of the deposit at depth.

Further magnetic modelling and targeting updated within the exploration licence area will be released in the coming fortnight.

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.

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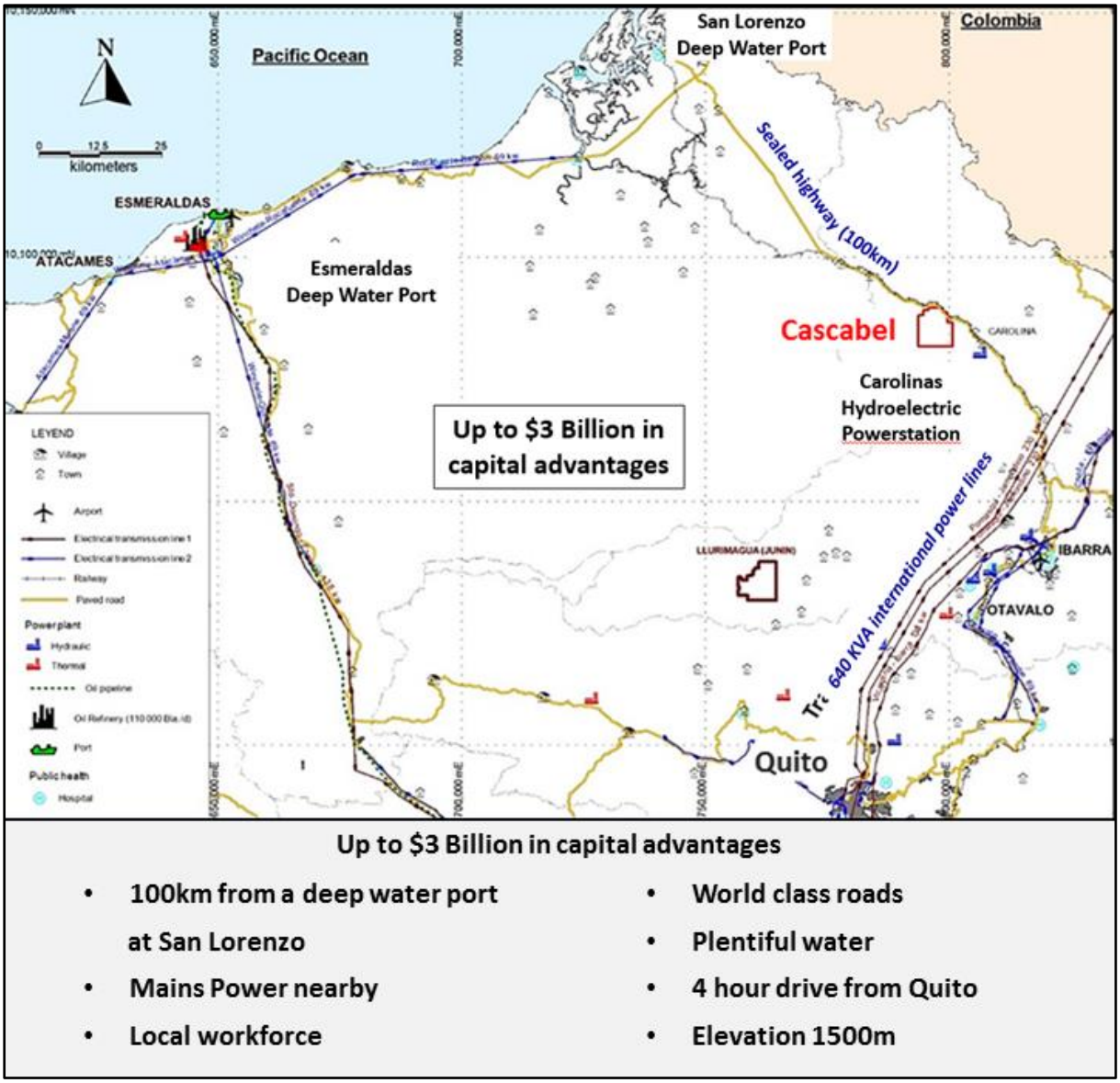


Figure 1: Location of Cascabel project in northern Ecuador.

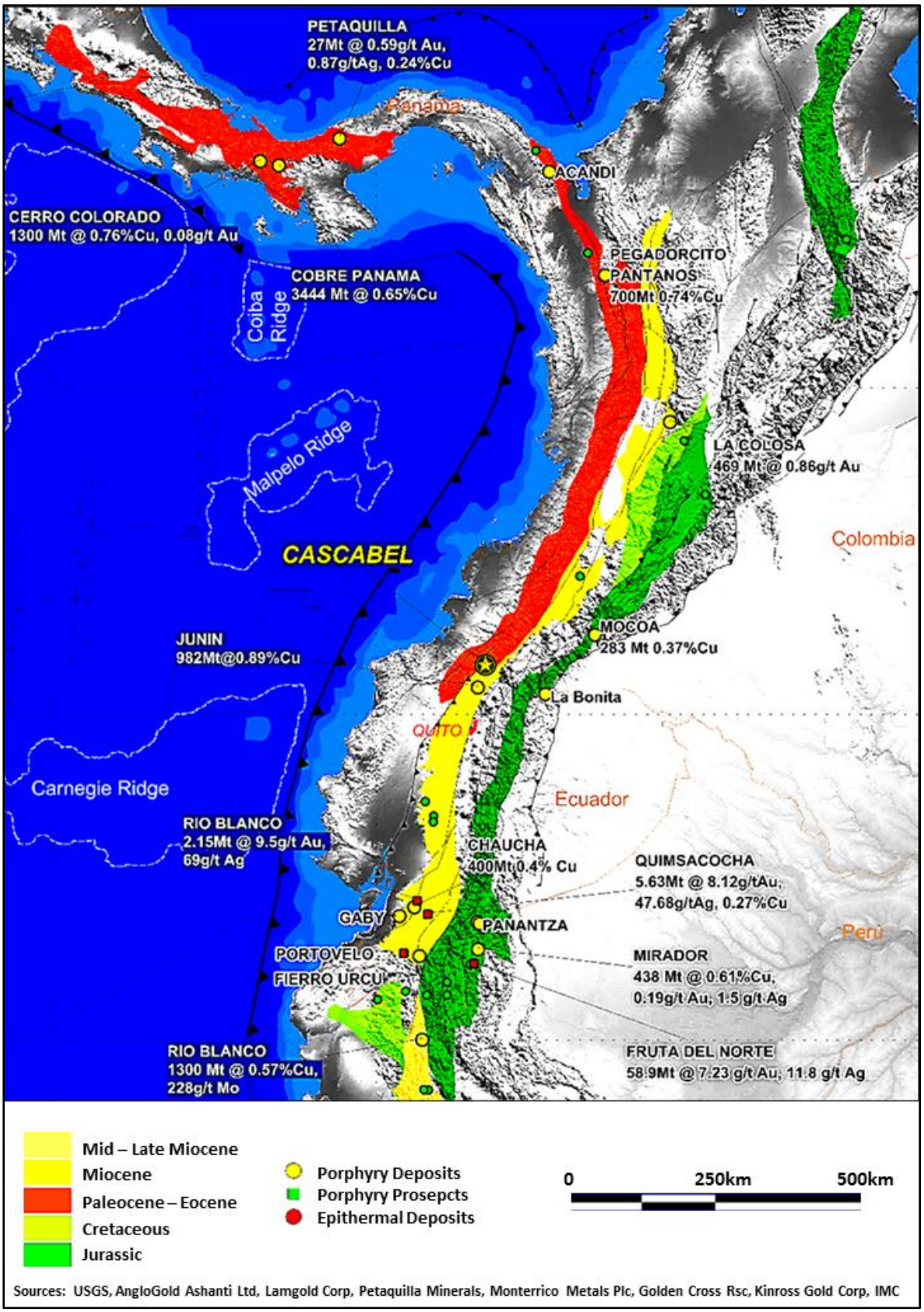
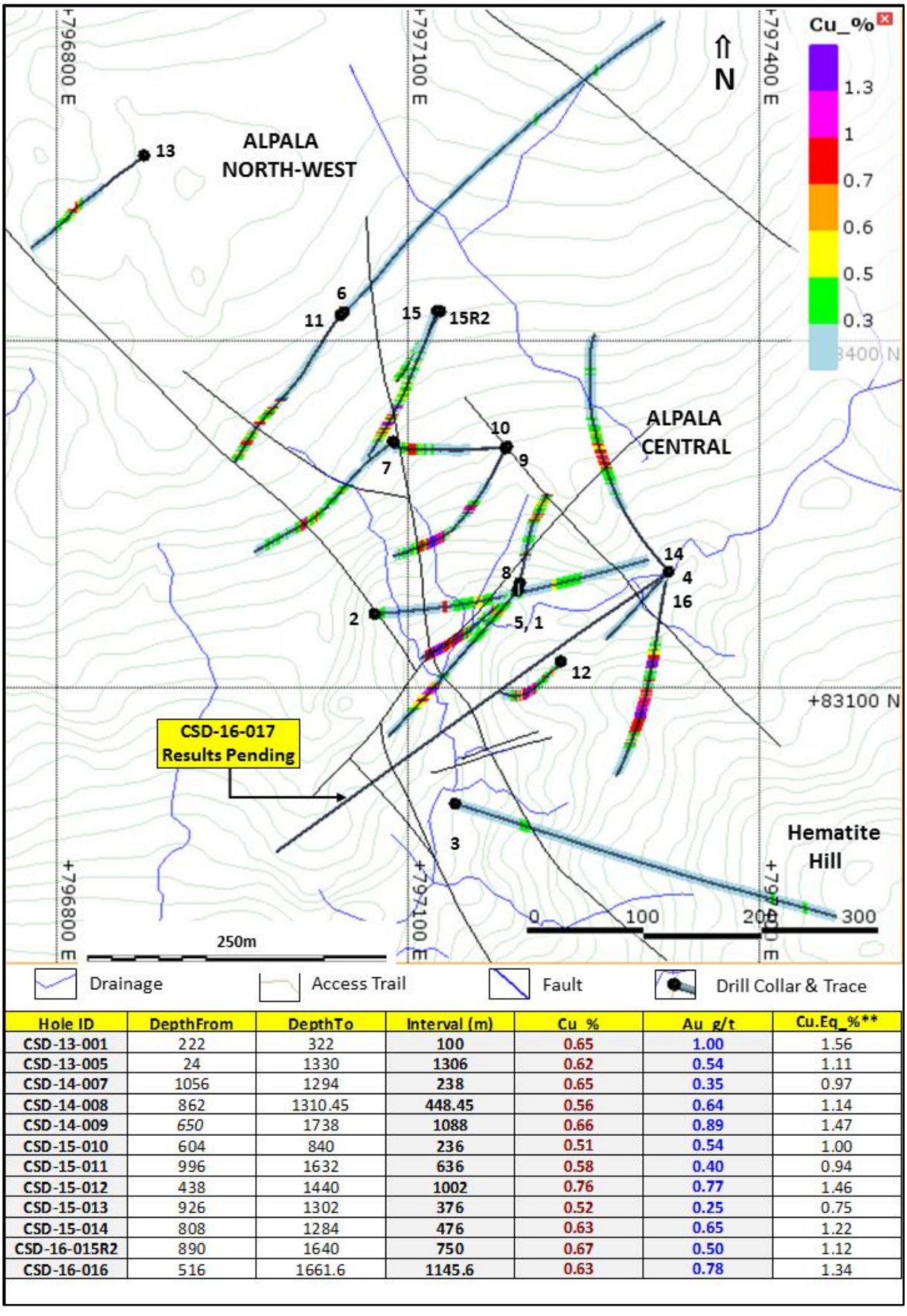


Figure 2: Regional Setting of the Cascabel Project, in the northern Andean Copper Belt.



Hole ID	DepthFrom	DepthTo	Interval (m)	Cu %	Au g/t	Cu.Eq_%**
CSD-13-001	222	322	100	0.65	1.00	1.56
CSD-13-005	24	1330	1306	0.62	0.54	1.11
CSD-14-007	1056	1294	238	0.65	0.35	0.97
CSD-14-008	862	1310.45	448.45	0.56	0.64	1.14
CSD-14-009	650	1738	1088	0.66	0.89	1.47
CSD-15-010	604	840	236	0.51	0.54	1.00
CSD-15-011	996	1632	636	0.58	0.40	0.94
CSD-15-012	438	1440	1002	0.76	0.77	1.46
CSD-15-013	926	1302	376	0.52	0.25	0.75
CSD-15-014	808	1284	476	0.63	0.65	1.22
CSD-16-015R2	890	1640	750	0.67	0.50	1.12
CSD-16-016	516	1661.6	1145.6	0.63	0.78	1.34

Figure 3: Drill hole location plan, showing drainage, access and structural interpretation at Alpala.

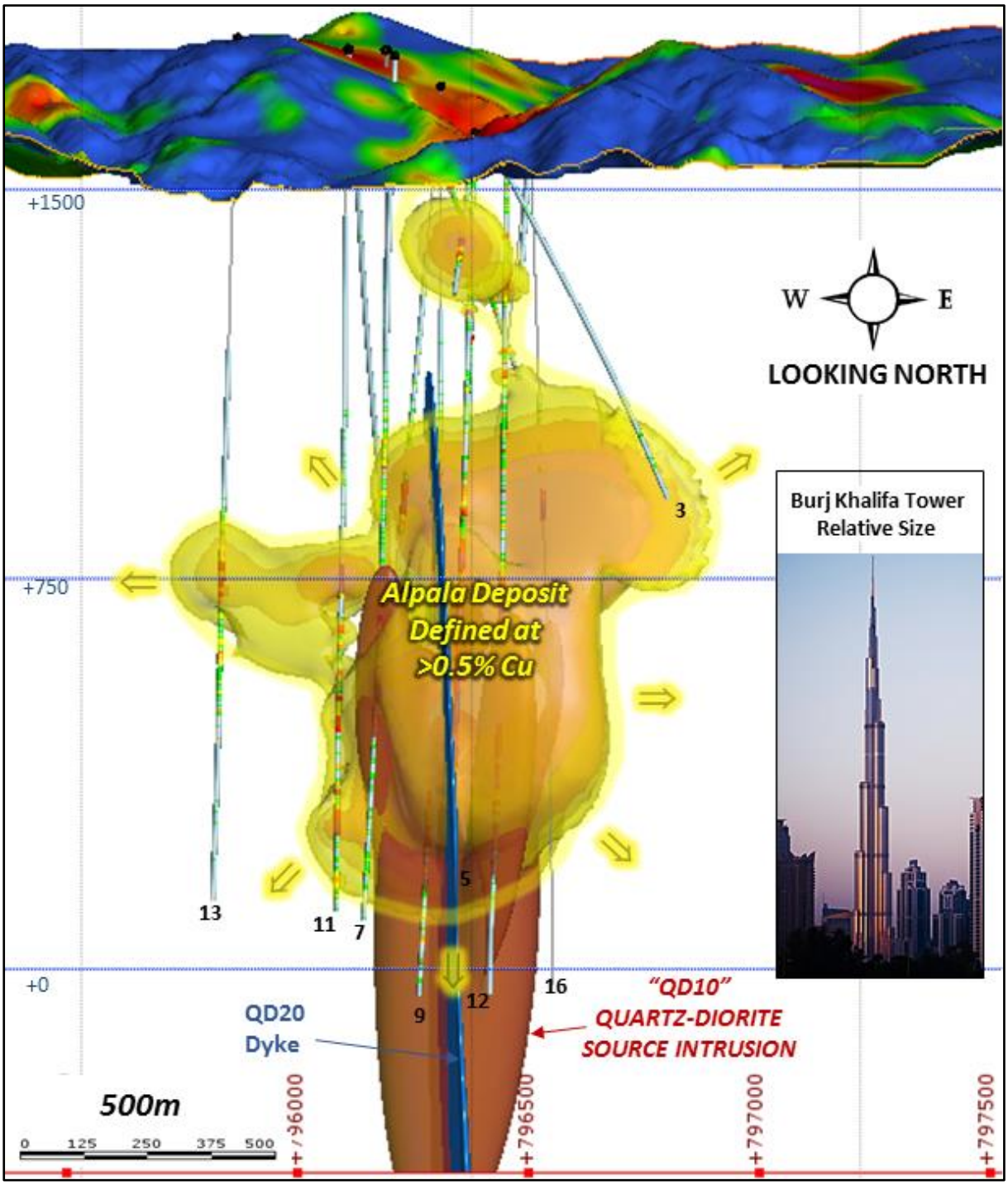


Figure 4: 3D model of the Alpala deposit, in long-section view, looking north.

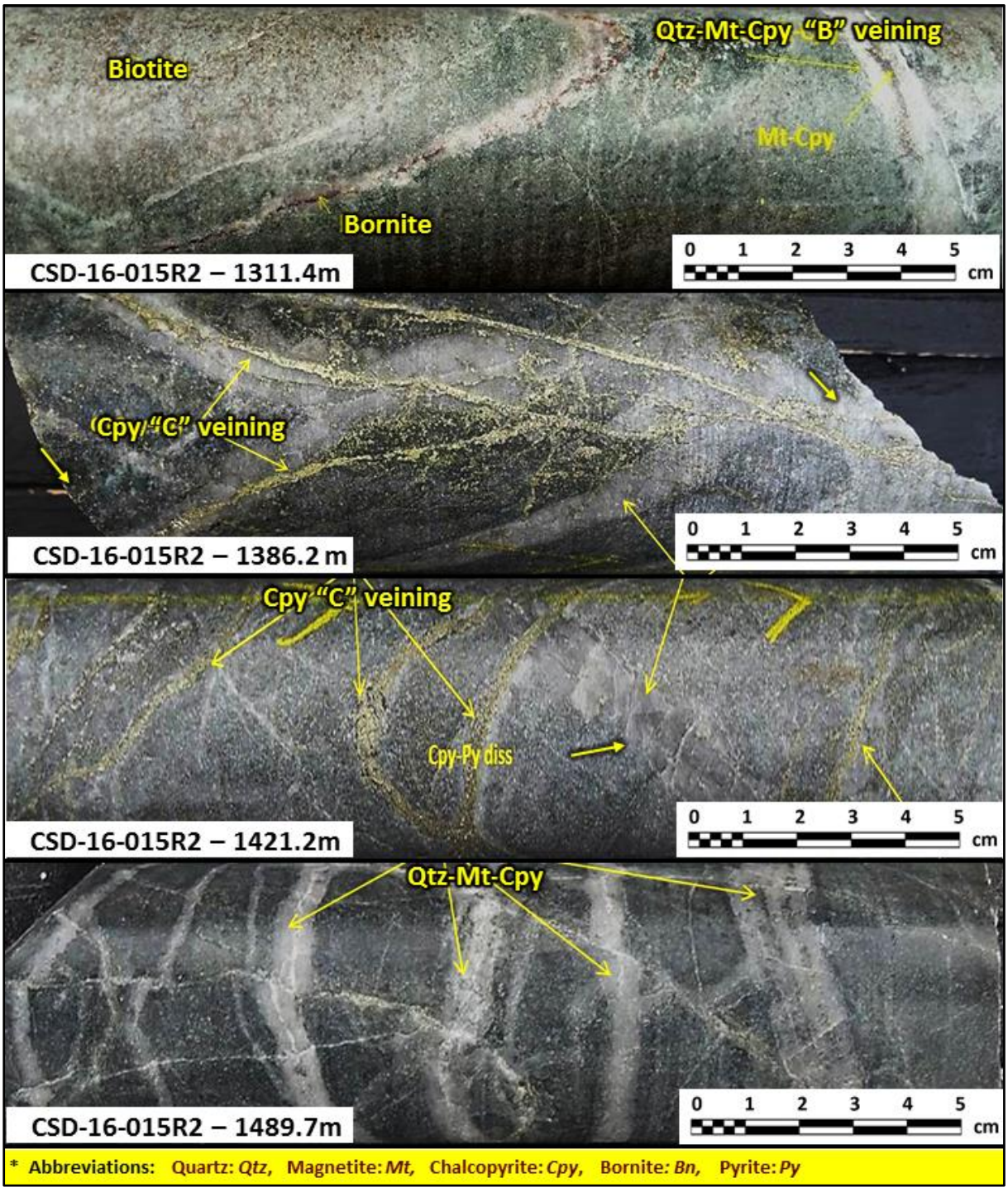


Figure 5: Examples of mineralisation encountered in Hole 15R2.

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, 14km^2 and 9km^2 Induced Polarisation and Magnetotelluric "Orion" surveys at the Alpala and Aguinaga targets respectively. By December 2015, the Company had completed approximately 25km^2 of soil sampling, 14km^2 of electrical surveys, 20,100m of drilling and expended approximately US$30m (including the investment in Cornerstone).

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, 4,820,000 options exercisable at 50p, 7,280,000 options exercisable at 28p and 9,280,000 options exercisable at 14p.

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