MANAGEMENT DISCUSSION AND ANALYSIS

2023 FINANCIAL YEAR

SECOND QUARTER AND HALF YEAR REPORT

For the three months and six months ended 31 December 2022

This management discussion and analysis ("MD&A") is management's assessment of the results and financial condition of SolGold plc ("SolGold" or the "Company") and its controlled subsidiaries (the "Group") and should be read in conjunction with the Group's unaudited interim condensed consolidated financial statements for the period ended 31 December 2022 and 2021 and the notes thereto. The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Management is responsible for the preparation of the financial statements and this MD&A. Unless otherwise stated, all amounts discussed in this MD&A are denominated in United States dollars.

Mr Jason Ward (CP, B.Sc. Geol.), the Head of Exploration of the Group is a "Qualified Person" as defined in NI 43-101 and has reviewed and approved the technical information in this MD&A with respect to all the Group's properties.

The information included in this MD&A is as of 14 February 2023 and all information is current as of such date. Readers are encouraged to read the Company's Regulatory News Service ("RNS") announcements filed on the London Stock Exchange and on the System for Electronic Document Analysis and Retrieval ("SEDAR") under the Company's issuer profile.

DESCRIPTION OF BUSINESS

SolGold is a mineral exploration and development company headquartered in Brisbane, Australia. The Company is a UK incorporated public limited company, dual LSE and TSX-listed (SOLG on both exchanges) and has a leading exploration and project team focussed on copper-gold exploration and mine development with assets in Ecuador, Solomon Islands and Australia. SolGold is a large and active concession holder in Ecuador and is exploring the length and breadth of this highly prospective and gold-rich section of the Andean Copper Belt. SolGold's primary objective is to discover, define and develop world-class copper-gold deposits. Cascabel, SolGold's 85% owned "World Class" (Refer to www.solgold.com.au/cautionary-notice/) flagship copper-gold porphyry project (the "Project"), is located in northern Ecuador.

SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in Exploraciones Novomining S.A. ("ENSA"), the Ecuadorean registered company which holds 100% of the Cascabel concession, which includes the Alpala deposit (The ownership is expected to be 100%, please see Acquisition of Cornerstone Capital Resources section for more details).

RESULTS OF OPERATIONSCORNERSTONE

LEADERSHIP AND KEY ROLES

1. **Steve Botts – (SolGold Ecuador President)** joined SolGold on 1 August 2022 based in Quito and he is currently the company's most senior point of contact for executive leadership within Ecuador. Steve is a Senior Mining Executive, Director, and Consultant with over 40 years of international mining experience in the development of mining projects, socio-environmental management, and sustainable development. Steve has extensive Latin America experience, having worked in Argentina, Brazil, Colombia, Guatemala, Ecuador, Mexico, and Panama.

   He is a deeply experienced leader in cross-cultural and international business relations. Steve is most proud of his leadership in the successful permitting of Antamina (allowing the project to be constructed on time and within budget), the formation of the Mina Justa Project Team and taking the project through to a viable Feasibility Study, and the turnaround of Tahoe Peru to a more efficient and value-oriented organisation that achieved safety and production goals under very challenging circumstances.

2. **Bernie Loyer (Projects Vice President)** joined SolGold on 27 July 2022. He is responsible for leading the planning and execution of all SolGold Projects including Cascabel, with the Study team reporting to him. Bernie is a Project Mining Executive with over 35 years of international mining experience including over 20 years in LATAM, having worked in Peru, Mexico, Chile and Argentina. A mechanical engineer with multiple patents for the design of process and material handling equipment.

   Bernie has a proven track record delivering large-scale mining projects including Goldcorp´s Penasquito Project in Zacatecas, Mexico, Goldcorp´s Cerro Negro Project in Santa Cruz, Argentina and Torex Gold´s Morelos Project in

Guerrero, Mexico. He spent five years at FLSmidth Minerals based in Copenhagen serving as Vice President, Minerals Technology and Chief Product Officer where he was responsible for all global process technology, manufacturing and material handling. Prior to that he served 15 years with BHP Billiton, spending the last 10 years in Peru and Chile where he held operational leadership positions.

Bernie has served on the boards of various international companies including KOCH-MVT Material Handling, RAHCO International, Conveyor Engineering, Excel Foundry and CEIM Centro de Entrenamiento Industrial y Minero in Antofagasta, Chile.

3. **Rufus Gandhi** joined SolGold on 1 August 2022 as General Counsel based in Brisbane. He has previously worked at Gladstone Ports Corporation where he held the role of the first General Counsel & Company Secretary. In addition to several years as a private practice lawyer with leading law firms, King & Wood Mallesons, O'Melveny & Myers LLP and Slaughter and May LLP, Rufus has previously been Senior Legal Counsel at APA Group and ConocoPhillips (U.K.) Limited.

   Rufus has over twenty years of legal, company secretarial and corporate governance experience working in multiple jurisdictions including Australia, UK, Singapore and US. He was admitted as a solicitor in England and Wales in 2002, admitted as a solicitor in the Supreme Court of Victoria and received a Practicing Certificate from Queensland Law Society in 2018. He also became a Graduate of the Australian Institute of Company Directors in January 2022.

4. **Ayten Saridas** resigned as Group Chief Financial Officer, effective 11 August 2022.

5. **Keith Pollocks** joined SolGold on 15 August 2022 as the Interim Group Chief Financial Officer. Keith has extensive international experience leading global finance functions for a range of public and private multinational companies predominantly across banking, infrastructure, resources, and mining. Throughout his career, he has held various senior finance and commercial management roles in Australia, Europe, US and Asia and specialised in capital raising, mergers and acquisitions, financial risk management, investor relations and strategic transformation. Keith started his career with Shell International and has recently held CFO roles at Victory Offices (ASX: VOL), Kasbah Resources Limited (ASX: KAS) and Newcastle Coal Infrastructure Group. He holds a Bachelor of Business, Master of Commerce and is a Chartered Corporate Treasurer and Certified Practising Accountant.

6. **Darryl Cuzzubbo,** formerly Managing Director and CEO of SolGold, left the Company and the Board effective 10 November 2022.

7. **Tania Cashman,** Chief People Officer, is no longer with the Company effective November 2022. Management does not intend to seek a replacement to fill this role.

ANNUAL GENERAL MEETING

The Company's Annual General Meeting ("AGM") was held on 22 December 2022 and the Company confirms that all resolutions put to shareholders at the AGM were conducted via a poll, where the proxy votes received ahead of the meeting were combined with votes cast at the meeting.

A breakdown of the poll result for each resolution put to our shareholders is set out below:

Figure 1 – AGM results

Resolutions	Votes for %	Votes against %
Ordinary Business		
1, STATEMENTS & REPORTS	99.91	0.09
2, DIRECTORS' REMUNERATION	90.07	9.93
3, RE-ELECT MR. L TWIGGER	92.64	7.36

4, RE-ELECT MR. N MATHER	63.80	36.20
5, RE-ELECT MS. M ALBAN	95.07	4.93
6, RE-ELECT MR. J CLARE	57.55	42.45
7, ELECT MR. S CALDWELL	65.98	34.02
8, ELECT MR. D VUJCIC	61.19	38.81
9, RE-APPOINT PwC AUDITORS	99.78	0.22
10, AUDITOR REMUNERATION	99.94	0.06
11, AUTHORITY TO ALLOT SHARES	68.81	31.19
Special Business		
12, DISAPPLY PRE-EMPTION RIGHTS	66.98	33.02
13, FURTHER DISAPPLY PRE-EMPTION RIGHTS	66.77	33.23

The Board notes certain resolutions attracted greater than 20% of votes cast against the resolution. The Board further notes that if the shares held directly and indirectly by certain major shareholders were excluded, all resolutions would have passed with over 80% of the votes cast in favour of the resolutions.

EXPLORATION HIGHLIGHTS

During the period, SolGold has focused on exploration at the Helipuerto, Porvenir, and Rio Amarillo regional exploration projects. Drilling has continued at the Moran and Tandayama-America prospects at Cascabel.

The Company continues to pursue its strategy as an integrated explorer and developer, aiming to create maximum value for all shareholders. The Company is applying its exploration methodology of systematically evaluating its exploration assets across Ecuador, which are held by four wholly owned subsidiaries that are exploring throughout the country. SolGold has identified several high priority copper and gold resource targets, some of which the Company believes have the potential to reach resource definition and feasibility levels in close succession.

Early-stage results from the Company's regional exploration programmes are testament to this approach following the discovery of significant copper-gold mineralisation at surface at the Cacharposa porphyry copper-gold deposit at Porvenir as well as discovery of significant geochemical and geophysical hallmarks of large porphyry systems identified at several project areas, including the Helipuerto, and Rio Amarillo projects.

SolGold's regional exploration programme in Ecuador coordinates multiple highly skilled field teams systematically exploring its concessions throughout the country. The Company's regional concessions are located along the prolific Andean Copper Belt which is renowned as the production base for a significant portion of the world's copper and gold resources. The regional exploration programme currently focusses on a number of high priority projects identified for targeted exploration, of which several are considered core targets that are drill ready.

STUDIES HIGHLIGHTS

During the period, SolGold has focused on preliminary work associated with the Cascabel Definitive Feasibility Study ("DFS") and the Porvenir Preliminary Economic Assessment ("PEA"). Due to the evolving capital cost environment, and the numerous values enhancing opportunities under review, the Cascabel DFS and the Porvenir PEA have been delayed.

GOVERNMENT RELATIONS

An application to begin negotiations on the exploitation agreement for the Cascabel project was submitted to the Ministry of Energy and Mines ("MINEM") on 31 August 2022 and was deemed admissible on 14 October 2022. Initial discussions regarding the Exploitation Agreement began in December 2022, and that the formal negotiation process began in January 2023. The Company has until December 2023 to complete the negotiation process with the establishment of a non-binding term sheet, and the submittal of a request to move into the exploitation phase.

In December 2022, the Company submitted an application to amend the previously subscribed Investment Protection Agreement in order to align it with the exploitation agreement under negotiation and to obtain additional benefits provided by the government which were not available when the agreement was signed in 2021.

The MINEM has established bi-monthly meetings with the Company to review the critical approvals required for the development of the Cascabel project, and to address other actions required by the Government for the success of the project.

HUMAN RESOURCES

SolGold remains committed to building the foundations of a positive legacy for all stakeholders. Providing equal opportunities and having a largely local workforce makes SolGold a strong contributor to the local economy. SolGold recognises that the development, retention and wellness of our employees is a fundamental pillar to SolGold's success, sustainability as a business and growth of Ecuador's mining industry. During the second half of the year, we have strengthened the leadership team in Ecuador by adding experienced personnel with the necessary skills to segregate functions and to implement new controls and procedures in the organization. In addition, we have performed a culture review, the purpose was to consider the current workplace culture at SolGold and to identify the strengths of the organisation and areas in which improvement is needed to foster a strong workplace culture. Overall, the Review found a committed workforce, strongly engaged with the organisation. Interviewees expressed excitement and enthusiasm for the projects in Ecuador in particular and had a strong sense of pride in SolGold's achievements to date and its potential. The review highlighted a number of opportunities for improvement which has since led to a series of initiatives to be implemented, progressively during FY23.

The total number of employees for the six months ended 31 December 2022 was:

NUMBER OF EMPLOYEES	
	31 December 2022
Ecuador	501
Australia	11
U.K.	2
Switzerland	1
Total	**515**

Highlights

- **97%** of the workforce are Ecuadorean
- **17%** of total employees are women (**96** in Ecuador and 8 outside Ecuador)
- **10%** of the workforce in Ecuador are geologists
- **4%** of employees in Ecuador are part of the indigenous population

SolGold is in compliance with the disabled employee quota, in each subsidiary of the Group, as required by Ecuadorian law.

HEALTH AND SAFETY

SolGold puts the highest priority on safe work practices and systems. The company is working on updating and evaluating its critical risks. A controlled entry to SolGold sites, by requesting biosecurity protocols, was maintained to avoid the spread of Covid-19 within the projects. During this period, vaccination of the third and fourth dose was encouraged resulting in 98% of employees in Ecuador vaccinated against Covid-19 with the third dose and 76% with fourth dose. In all projects of

SolGold in Ecuador, inspections, training and risk control has been routinely carried out. The TRIFR reported for the period was 1.63. The TRIFR is calculated as the number of Lost Time Injuries + Fatalities + Restricted Work Injury + Medical Treatment Injury + First Aid Injury) multiplied by 1,000,000 and divided by total people hours worked during the period.

ENVIRONMENT

SolGold's Environmental Policy is driven by our commitment to minimising our environmental impact across the Company's operations. Not only does this ensure environmental regulations are met, but our strategy is also focused on providing a safe work environment for SolGold's employees, safe living environment for the communities where we operate, and careful protection of the environment's inalienable right to exist and flourish according to the Ecuadorian Constitution.

For the half-year period from 1 July to 31 December 2022, SolGold continued to comply with requirements of the Ministry of Environment, Water and Ecological Transition ("MAATE"). The following reports have been submitted or authorised:

- Submission to MAATE of the Environmental Compliance Audit for the Advanced Exploration phase of the Cascabel Mining Concession for the period August 2020-August 2022. (ENSA)
- Submission to MAATE of the biannual compliance report on the Environmental Management Plan for the Advanced Exploration phase covering the period March – August 2022 (ENSA)
- Approval from MAATE of the Annual Compliance Report of the Initial Exploration Phase of the Cascabel Mining Concession for the period July 2017 to July 2018. (ENSA)
- Submission to MAATE of the annual compliance reports of Machos, Cisne, San Antonio, Sharug, Salinas 1, Salinas 3-4 mining projects, for the period 2021-2022.
- Authorisation from MAATE for industrial water use in the Chical 1and Timbara 2 concessions
- Approval from MAATE of the Forest Inventory of Chical 1, Chical 2, Porvenir 4 and Helipuerto concessions
- Authorisation from MAATE for two water collection points for human consumption at the Helipuerto project

In order to verify compliance with current legal regulations, the Cascabel project received inspection visits from MAATE and the Vice Ministry of Mines of Ecuador.

The 1 million Trees project managed by ENSA donated 4,220 saplings to the Pontifical Catholic University of Ecuador to start their own 1 million Trees for Ecuador initiative. A further 180 saplings were donated by ENSA to the provincial department of MAATE in Carchi-Tulcán.

In a continued effort to drive SolGold's reduce, reuse and recycle strategy, 750kg of compost generated from onsite organic waste was donated to the community of Parambas within the Cascabel concession and our hazardous waste was disposed of in compliance with an authorised disposal process. Furthermore, the bi-annual biotic monitoring of flora and fauna within the Cascabel concession was conducted during the reporting period ended 30 September.

As part of ENSA's sustainability initiatives, the 1M Reforestation Program of the Cascabel project was presented to MAATE, to access the Green Initiative Distinction. In the same way, the Inter-institutional Cooperation Agreement was signed between the Cotacachi Cayapas National Park (upper zone), Lita district and ENSA for the Reforestation Program for Environmental Conservation and Climate Change Adaptation

SolGold is committed to developing Cascabel to be one of the lowest carbon intensive copper mines in the world. SolGold is actively evaluating several options as part of the DFS to manage and minimise the Cascabel project's overall carbon footprint. These include maximising power from hydro-generation sources, electrification of the fleet, assessing process integration to optimise operational efficiency, and developing an achievable roadmap to completely eliminating Scope 1 and Scope 2 greenhouse gas emissions. Ultimately SolGold will play a vital role in enabling the transition to a sustainable net zero future, and it can be one of the first large scale copper concentrate mines ever built to be carbon neutral.

COMMUNITY

- In compliance with the Community Relations Plan immersed in the Environmental Management Plan approved by the Ministry of the Environment, Water and Ecological Transition of Ecuador for the Cascabel mining concession, the second Semi-Annual Socialization of the geological, environmental and social activities planned to be carried out was carried out in the Cascabel Project; around 156 people were present at this meeting, including representatives of the Central Government, Local Government, Government Institutions, community leaders and members of the communities of the Lita and La Carolina parishes.
- On March 2022 ENSA signed an Inter-institutional Cooperation Agreement between the Decentralized Autonomous Local Governments of the Parishes of Lita and La Carolina, in compliance with this document the following was concluded:
- Closing and liquidation of the project "Improving the ornamentation of the gardens park and recreation areas of the Lita parish"
- Emerging agricultural support to strengthen food security and sovereignty in two communities in the parish of Lita, pigs for breeding were delivered to 49 families.
- During this period, the Community Environmental Observatory made up of members of the communities of the parishes of Lita and La Carolina received information on the historical data of the analysis of the water quality in the Cascabel concession, from the year 2014 to the year 2022.; They also accompanied the company in charge of carrying out the concession's water and soil monitors during the month of December.
- According to the pre-feasibility study carried out for Cascabel, the impacts that will occur for the community of Santa Cecilia will be important, which is why it is necessary for that community to be relocated; for this, since August 2022, the INSUCO consultancy together with the ENSA Social Management team has been executing the Resettlement Plan for the Santa Cecilia community; In December of this year, the first agreement was signed between the community and ENSA on the determination of the sizes of houses and properties that will be replaced when the resettlement is carried out.
- Since 2017, ENSA has been a member of the Local Health Committee of the Lita and La Carolina parishes. In this context, it cooperated with the logistics of 52 medical health brigades, with a total of 2,240 services, of which: 1,017 were aimed at boys and girls, 726 care for adults, 186 care for people with disabilities, 29 care for pregnant women and 282 care for people with chronic illnesses in the parishes of Lita and La Carolina.
- During the month of October, Exploraciones Novomining SA and the Ministry of Agriculture and Livestock of Ecuador signed a Commitment Act to establish joint actions to benefit about 500 farmers and their families from the parishes of Lita and La Carolina.

OPERATING RESULTS

The quarter ended 31 December 2022 compared with the quarter ended 31 December 2021

The Group incurred a loss after tax of US$10,491,110 and loss per share of 0.5 cents per share for the quarter ended 31 December 2022 compared to a loss after tax of US$7,201,463 and loss per share of 0.3 cents per share for the quarter ended 31 December 2021. Administrative expenses incurred during the quarter ended 31 December 2022 were US$7,544,527 compared to US$4,195,225 for the quarter ended 31 December 2021. The movement in administrative expenses over the prior year was due to a number of factors, the most notable of which are:

> ***Employment expenses*** increased by US$210,575 to US$2,006,696 for the quarter ended 31 December 2022 compared to US$1,796,121 for the quarter ended 31 December 2021. This increase was mainly due to the fair value adjustment of the Company Funded Loan plan extension to December 2023, the issue of ordinary shares to new management personnel and additional payments to former CEO Darryl Cuzzubbo on departure.
>
> ***Legal and consulting expenses*** increased by US$2,051,023 to US$2,579,221 for the quarter ended 31 December 2022 compared to US$528,198 for the quarter ended 31 December 2021. This increase is due to costs associated with royalty, share issue funding and employment advice.

Unrealised foreign exchange losses (gains) US$189,939 unrealised foreign exchange gain for the quarter ended 31 December 2022 compared to an unrealised foreign exchange loss of US$92,449 for the quarter ended 31 December 2021. This was as a result of the United States dollar slightly strengthening against both the AUD and GBP, currencies in which the Company holds a portion of its treasury.

Other income and expenses for quarter ended 31 December 2022

Derivative liabilities in the quarter ended 31 December 2022 measured at fair value resulted in a loss of US$nil compared to a loss of US$57,750 for the quarter ended 31 December 2021. The movement represents the fair value remeasurement of the options granted to BHP as part of the December 2019 placement, measured on 31 December 2022. Since the options issued to BHP were not granted in exchange for goods or services and were exercisable in a currency other than the functional currency, the options were treated as a derivative financial liability measured at fair value on the date of grant and are remeasured at each reporting period.

Finance costs for the quarter ended 31 December 2022 were US$2,969,121 compared to US$3,298,353 for the quarter ended 31 December 2021. The sizeable finance costs predominantly relate to the effective interest charge calculated on the NSR Financing Agreements, of US$2,956,790, a non-cash item, which was US$3,281,058 for the quarter ended 31 December 2021.

Finance income was US$41,192 for the quarter ended 31 December 2022 compared to US$240,474 for the quarter ended 31 December 2021. The interest income comprises US$41,192 received from banking institutions on short term deposits.

Other income was US$33,790 for the quarter ended 31 December 2022 compared to US$49,456 for the quarter ended 31 December 2021. Other income represents US$33,238 rent received from the subletting of office space at 111 Eagle Street Brisbane and a gain on disposal of PP&E of US$552.

All other expenses for the quarter ended 31 December 2022 remain consistent to those for the quarter ended 31 December 2021.

The operating variances for the period were:

For the quarter ended 31 December	2022 US$	2021 US$	Variance US$
Expenses			
Exploration costs written-off	(11,119)	(30,704)	19,585
Administrative expenses	(7,544,527)	(4,195,225)	(3,349,302)
Operating loss	**(7,555,646)**	**(4,225,929)**	**(3,329,717)**
Other income	33,790	49,456	($15,666)
Finance income	41,192	240,474	($199,282)
Finance costs	(2,969,121)	(3,298,353)	329,232
Expected credit loss	(216,023)	-	(216,023)
Movement in fair value of derivative liability	-	(57,750)	57,750
Loss before tax	**(10,665,808)**	**(7,292,102)**	**(3,373,706)**
Tax (expense) / benefit	174,698	90,635	84,063
Loss for the period	**(10,491,110)**	**(7,201,467)**	**(3,289,643)**
Other comprehensive (loss) / profit			
Items that may be reclassified to profit and loss			
Exchange differences on translation of foreign operations	486,770	47,340	439,430
Items that will not be reclassified to profit or loss			
Change in Ecuador pension value	718,115	45,126	672,989
Change in fair value of financial assets net of tax	1,820,844	412,208	1,408,636
Other comprehensive (loss) / profit, net of tax	**3,025,729**	**504,674**	**2,521,055**
Total comprehensive (loss) / income for the period	**(7,465,381)**	**(6,696,793)**	**(768,588)**

The six months ended 31 December 2022 compared with the six months ended 31 December 2021

The Group incurred a loss after tax of US$17,649,514 and loss per share of 0.9 cents per share for the six months ended 31 December 2022 compared to a loss after tax of US$17,830,655 and loss per share of 0.8 cents per share for the six months ended 31 December 2021. Administrative expenses incurred during the six months ended 31 December 2022 were US$12,713,007 compared to US$8,724,865 for the six months ended 31 December 2021. The movement in administrative expenses for the six months ended 31 December 2022 over the comparable six months ended 31 December 2021 were due to a number of factors, the most notable of which are:

Employment Expenses increased by US$528,849 to US$3,827,345 for the six months ended 31 December 2022 from US$3,298,496 for the six months ended 31 December 2021. This increase was mainly due to the fair value adjustment of the Company Funded Loan plan extension to December 2023, the issue of ordinary shares to new management personnel and additional payments to former CEO Darryl Cuzzubbo on departure.

Legal and consulting expenses increased by US$2,434,863 to US$3,310,232 for the six months ended 31 December 2022 compared to US$875,369 for the quarter ended 31 December 2021. This increase is due to costs associated with royalty, share issue and funding advice.

Unrealised foreign exchange losses (gains) an unrealised foreign exchange loss of US$338,314 for the six months ended 31 December 2022 compared to an unrealised foreign exchange loss of US$167,134 for the six months ended 31 December 2021. This was as a result of the United States dollar strengthening against both the AUD and GBP, currencies in which the Company holds a portion of its treasury.

Exploration costs written-off were US$11,388 for the six months ended 31 December 2022 compared to US$3,338,739 for the six months ended 31 December 2021. Exploration costs written off during the six months ended 31 December 2022 represents the costs capitalised to date on concessions held within the Company's four 100% owned subsidiaries in Ecuador that were relinquished during the quarter.

Derivative liabilities in the six months ended 31 December 2022 measured at fair value resulted in a gain of US$ 1,963,500 compared to a gain of US$288,750 for the six months ended 31 December 2021. The movement represents the fair value remeasurement of the options granted to BHP as part of the December 2019 placement, measured on 31 December 2022. Since the options issued to BHP were not granted in exchange for goods or services and were exercisable in a currency other than the functional currency, the options were treated as a derivative financial liability measured at fair value on the date of grant and are remeasured at each reporting period.

Finance costs for the six months ended 31 December 2022 were US$5,497,045 compared to US$6,500,509 for the six months ended 31 December 2021. First payments under the NSR Financing Agreements are due from either late 2028 or when production is declared, whichever is earlier.

Finance income was US$65,223 for the six months ended 31 December 2022 compared to US$374,279 for the six months ended 31 December 2021. The interest income comprises US$65,223 received from banking institutions on short term deposits.

Other income was US$68,213 for the six months ended 31 December 2022 compared to US$124,224 for the six months ended 31 December 2021. Other income represents US$67,661 rent received from the subletting of office space at 111 Eagle Street Brisbane and a gain on disposal of PP&E of US$552.

All other expenses for the six months ended 31 December 2022 remain consistent to those for the six months ended 31 December 2021.

FINANCIAL POSITION

Total assets on 31 December 2022 were US$506,393,631 compared to US$429,162,611 on 30 June 2022.

Current assets overall increased by US$52,505,624, which was due to $50,000,000 being received from Osisko in December 2022 for NSR financing.

Non-current assets increased by US$24,725,396 mainly due to increases in exploration and evaluation assets, classified as intangible assets. Exploration assets increased by US$22,835,387 predominantly due to the exploration expenditure incurred on the Alpala project and the various regional projects in Ecuador, as identified in this report, during the six months ended 31 December 2022.

Total liabilities on 31 December 2022 were US$156,234,565 compared to US$97,914,105 on 30 June 2022 largely as a result of the new Osisko NSR royalty accounted for at amortised cost.

Current liabilities on 31 December 2022 were US$11,956,122 compared to US$6,924,210 on 30 June 2022. Trade and other payables increased by US$4,357,381.

Non-current liabilities increased by US$53,288,548, mainly due to the new Osisko NSR royalty accounted for at amortised cost.

SELECTED FINANCIAL DATA

The Company prepares its consolidated annual financial statements in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") applied in accordance with the provisions of the Companies Act 2006. The following table provides selected annual financial information derived from the most recently completed audited annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the periods below.

Year ended 30 June	**2022 US$**	**2021 US$**	**2020 US$**
Operations			
Loss for the year after tax	(1,701,565)	(22,893,167)	(14,123,753)
Total comprehensive loss for the year			
Owners of the parent company	(1,587,497)	(22,811,409)	(14,067,978)
Non-controlling interest	(114,068)	(81,758)	(55,775)
Basic and diluted loss per share (cents per share)	(0.1)/ (0.1)	(1.1) / (1.1)	(0.7) / (0.7)
Balance Sheet			
Working capital	27,888,502	116,668,877	43,718,966
Total assets	429,162,611	456,913,025	306,798,448
Total liabilities	97,914,105	118,290,830	24,810,414
Distributions or cash dividends declared per share	Nil	Nil	Nil

SUMMARY OF QUARTERLY RESULTS

The following table sets forth a comparison of revenues and earnings for the previous eight quarters ending with 31 December 2022. Financial information is prepared in accordance with IFRS as issued by the IASB and is reported in United States Dollars.

Quarter ended	**Dec 31, 2022 US$**	**Sep 30, 2022 US$**	**Jun 30, 2022 US$**	**Mar 31, 2022 US$**
Loss for the quarter after tax	10,491,110	(7,158,404)	25,399,313	(9,042,377)
Net loss per share (cents per share)	(0.5)	(0.3)	0.8	(0.4)
Loss for the quarter after tax attributable to the owners of the parent	10,452,961	(5,937,123,189)	25,555,688	(9,009,202)
Net loss per share attributable to the owners of the parent (cents per share)	(0.5)	(0.3)	0.8	(0.4)
Quarter ended	**Dec 31, 2021**	**Sep 30, 2021**	**Jun 30, 2021**	**Mar 31, 2021**

	US$	US$	US$	US$
Loss for the quarter after tax	(7,207,467)	(10,629,192)	(8,661,881)	(5,390,936)
Net loss per share (cents per share)	(0.3)	(0.5)	(0.4)	(0.3)
Loss for the quarter after tax attributable to the owners of the parent	(7,183,095)	(10,583,046)	(8,649,558)	(5,374,973)
Net loss per share attributable to the owners of the parent (cents per share)	(0.3)	(0.5)	(0.4)	(0.3)

Net loss presented over the eight quarters generally reflects general and administrative costs which includes unrealised foreign exchange gains and losses, share-based payment expenses and finance costs including non-cash interest charges.

General and administrative costs increased for the quarter ended 31 December 2022, with interest calculated on the NSR Financing Agreement (US$2,956,791).

SUCCESSFUL EQUITY PLACING

During the financial quarter ended 31 December 2022, the Company issued the following equity:

On 12 December 2022 SolGold announced the successful placing of 180,000,000 new ordinary shares at a price of US$0.20 per share to investors including Jiangxi Copper (Hong Kong) Investment Company Limited ("Jiangxi") and Maxit Capital LP ("Maxit"). Jiangxi subscribed to 155,000,000 of the investment shares and Maxit subscribed to 23,000,000 of the Investment Shares. The investment raised aggregate gross proceeds of US$36,000,000. Further, Directors Scott Caldwell and James Clare also participated in the placement, generating gross proceeds of US$400,000 at a price of US$0.20 per share. Mr Caldwell subscribed to 1,000,000 of the investment shares and Mr Clare subscribed to 1,000,000 of the Investment Shares.

OSISKO ROYALTY FINANCING

On 2 December 2022, Osisko Gold Royalties Ltd ("Osisko") paid SolGold US$50 million in relation to the company's Cascabel copper-gold project in Northern Ecuador, the Royalty Purchase Price under a new Royalty Financing Agreement announced on 7 November 2022. In return for the royalty purchase price, Osisko has been granted a perpetual 0.6% royalty interest to be calculated by reference to net smelter returns from the Cascabel concession area in accordance with the terms and conditions set out in the agreement.

ACQUISITION OF CORNERSTONE CAPITAL RESOURCES

On 7 October 2022, SolGold and Cornerstone announced that they have entered into a definitive agreement whereby SolGold will acquire all of the issued and outstanding shares of Cornerstone, other than Cornerstone Shares already held, directly or indirectly, by SolGold, pursuant to a court-approved plan of arrangement. Under the terms of the Agreement, Cornerstone Shares will be exchanged for fifteen SolGold ordinary shares for each Cornerstone common share held. This friendly deal valued at $107.9m is to secure a 100% ownership of Cascabel copper-gold project in northern Ecuador. Following Cornerstone's shareholder approval and granting of the Final Order by the Court of King's Bench of Alberta on 9th and 10th January, respectively, approving the Arrangement, the Company expects to publish the prospectus shortly and complete the Acquisition soon thereafter with the issue of SolGold shares to Cornerstone Shareholders. Pursuant to the Agreement, SolGold is pursuing a strategic review process with the goal of maximizing value for all shareholders.

EXPLORATION AND EVALUATION ASSETS

Total capitalised expenditures on exploration and evaluation assets on 31 December 2022 were US$388,289,606 compared to US$365,579,484 on 30 June 2022. Exploration expenditure of US$11,388 was incurred during the six months ended 31

December 2022 compared to US$3,338,739 during the six months ended 31 December 2021. An impairment charge of US$nil (December 2021: US$3,338,739) was recognised for exploration expenditure associated with concessions that were surrendered in Ecuador during the half year.

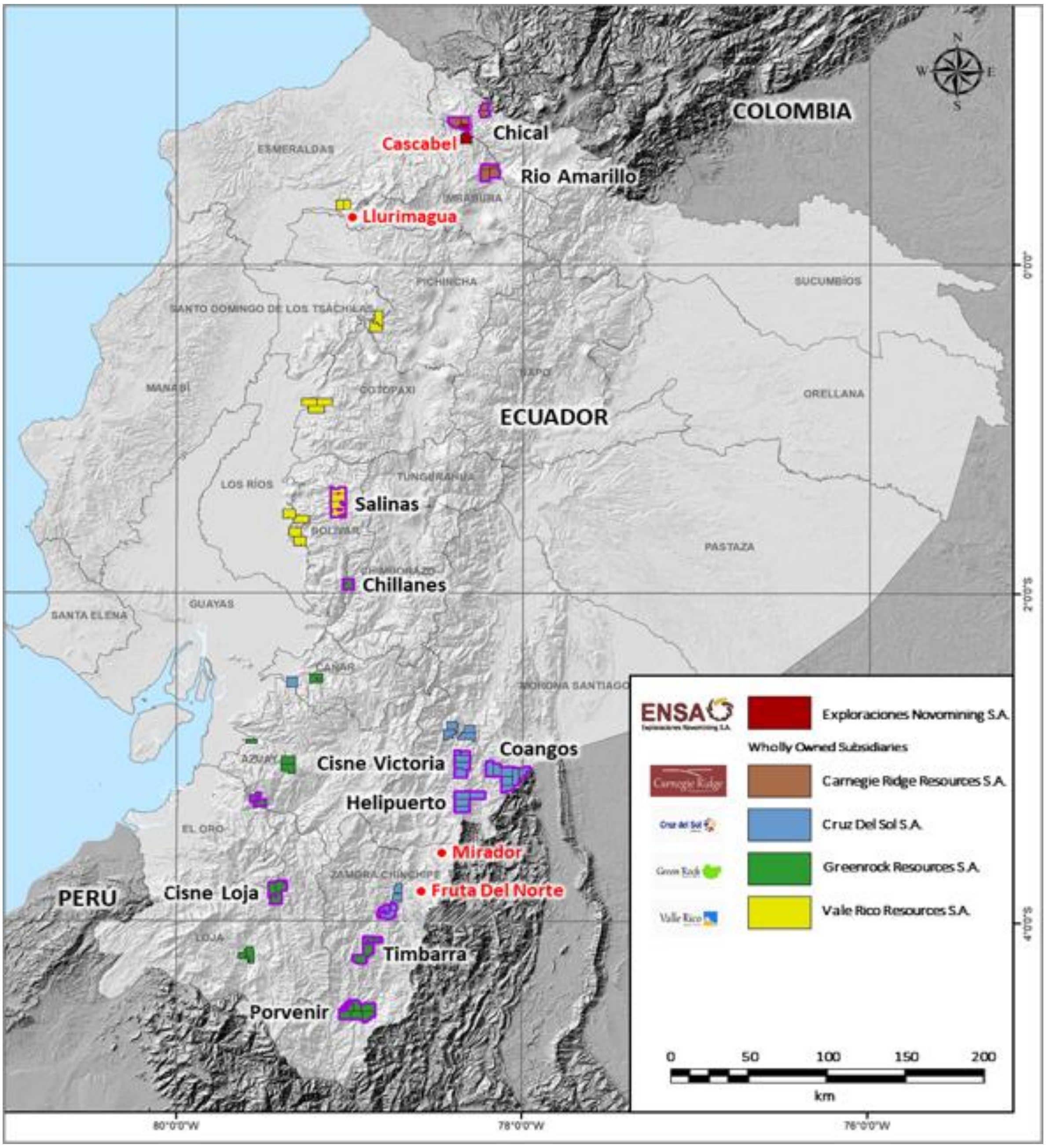
The following table represents the capitalised expenditures on exploration and evaluations to date by project area.

Project	Capitalised at 30 June 2022 US$	Capitalised during period ended 31 December 2022 US$	Impairment during the period ended 31 December 2022 US$	Foreign exchange impact during period ended 31 December 2022 US$	Capitalised at 31 December 2022 US$
Cascabel	259,895,791	17,208,808	-	-	277,104,599
Ecuador regional exploration	95,259,021	5,613,697	(11,119)	-	100,861,599
Australia	9,831,889	9,849	-	(105,553)	9,736,185
Solomon Islands	592,783	2,764	-	(8,324)	587,223
TOTAL	**365,579,484**	**22,835,118**	**(11,119)**	**(113,877)**	**388,289,606**

PROJECT ACTIVITIES

The Alpala deposit at the Cascabel project in northern Ecuador, with its 1km-plus copper-gold-silver intersections, is the first of potentially many discoveries by SolGold in the country. The Company's focus since 2012 has been on the riches of the underexplored section of the Andean Copper Belt in Ecuador. In addition to the Tier 1 Cascabel project, SolGold has identified a number of highly prospective priority projects throughout Ecuador and is exploring these in parallel with the development of Cascabel. Activities conducted on the priority projects are described by subsidiary in the following sections.

Figure 2 - Overview of SolGold concessions throughout Ecuador



EXPLORACIONES NOVOMINING S.A.

Cascabel Project

Location:	Imbabura province, Northern Ecuador
Ownership:	85%
Subsidiary:	Exploraciones Novomining S.A.
Tenement area:	50 km^2
Primary Targets:	Copper-gold porphyry

The Cascabel project base is located at Rocafuerte in northern Ecuador, approximately four hours' drive north of the capital Quito, close to water, power supply and Pacific ports. Having fulfilled its earn-in requirements, SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in ENSA which holds 100% of the Cascabel tenement covering approximately 50km^2, and subject to a 2% net smelter return royalty held by Santa Barbara Resources Ltd which may be purchased for US$4.0 million in two stages, the latest following a production decision. Following the completion of a Definitive Feasibility Study by ENSA, Cornerstone, which currently holds a 15% interest in ENSA, will be obligated to contribute to the funding of ENSA. (Note on 7 October 2022, SolGold plc and Cornerstone Capital Resources Inc. announced that they have entered into a definitive agreement whereby SolGold will acquire all of the issued and outstanding shares of Cornerstone, other than Cornerstone Shares already held, directly or indirectly, by SolGold, pursuant to a court-approved plan of arrangement. The transaction has not been completed at the time of this report.)

During the six months ended 31 December 2022, the Group capitalised US$17,208,808 of expenditure on the Cascabel project.

At the Tandayama-Ameríca deposit resource extension, infill drilling continues utilising one drilling rig.

Exploration at the Moran prospect is ongoing utilising one drilling rig.

Figure 3 - Major activities undertaken in the reporting period

Drilling • Alpala deposit	No drilling was completed at Alpala in the three months ended 31 December 2022. Key activities during the quarter include: • Metallurgical test work • Updating interpretation of 3D geological, veining, alteration, geotechnical and metallurgical models
Drilling • Tandayama-Ameríca (1 rig)	1568m of drilling was completed at TAM in the three months ended 31 December 2022. Geologists are consolidating data and significant results from completed holes at TAM. Activities include: • Resource definition and extension drilling • Updating of interpretation of 3D geology and alteration models • Logging and collection of geotechnical parameters and samples for lab test work • Test work for preliminary characterisation and parameterisation of metallurgy • Piezometer installation
Drilling • Moran (1 rig)	818m of drilling was completed at Moran in the three months ended 31 December 2022
Water monitoring	Site-wide hydrological monitoring and hydrogeological monitoring in and around the Alpala deposit and potential infrastructure sites. This work continues and includes: • Installation of additional piezometers • Surface, near surface and underground water monitoring • Water chemistry sampling
Geotechnical	Geotechnical site investigations for areas identified for project infrastructure including: • Detailed surface mapping
Environmental	• Inspection by the Ministry of Environment, Water and Ecological Transition (MAATE) and visit of the Vice Ministry of Mines of Ecuador to the Cascabel project.

	• Survey of environmental baseline information for the Complementary Environmental Impact Study of Underground Exploration of the Cascabel project. • Semi-annual monitoring of water and soil quality in compliance with the Environmental Management Plan, with the participation of members of the Community Environmental Observatory. • Evacuation of hazardous solid waste and WWTP sludge for treatment and final disposal with a qualified environmental manager. • Presentation of the 1M Reforestation Program of the Cascabel project to the MAATE to access the Green Initiative Distinction. • Signature of the Inter-institutional Cooperation Agreement between the Cotacachi Cayapas National Park (upper zone), Lita district and ENSA for the Reforestation Program for the purpose of Environmental Conservation and Climate Change Adaptation. • Environmental rehabilitation of 813 m^2 corresponding to intervened areas for the construction of platforms and pits
Ancillary programs	• Ongoing geomorphological risk management including stability monitoring at identified locations (observations did not identify significant movement) • Surface mapping campaign over proposed infrastructure locations • Lidar survey over the planned infrastructure outside the Cascabel concession is ongoing, including the transmission line, pipeline, and tailing facility.

<u>Cascabel Mineral Resource and Mineral Reserve Estimates</u>

<u>Alpala Mineral Resource Estimate (MRE#3)</u>

The Alpala porphyry copper-gold-silver deposit, at a cut-off grade of 0.21% CuEq, comprises 2,663 Mt at 0.53% CuEq in the Measured plus Indicated categories, which includes 1,192 Mt at 0.72% CuEq in the Measured category and 1,470 Mt at 0.37% CuEq in the Indicated category. The Inferred category contains an additional 544 Mt at 0.31% CuEq.

The estimate comprises a contained metal content of 9.9 Mt Cu and 21.7 Moz Au in the Measured plus Indicated categories, which includes 5.7 Mt Cu and 15 Moz Au in the Measured category, and 4.2 Mt Cu and 6.6 Moz Au in the Indicated category. The Inferred category contains an additional 1.3 Mt Cu and 1.9 Moz Au.

Cut-off grade	Mineral Resource category	Mt	Grade				Contained metal			
			CuEq (%)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (Mt)	Cu (Mt)	Au (Moz)	Ag (Moz)
0.21%	Measured	1,192	0.72	0.48	0.39	1.37	8.6	5.7	15.0	52.4
	Indicated	1,470	0.37	0.28	0.14	0.84	5.5	4.2	6.6	39.8
	Measured + Indicated	**2,663**	**0.53**	**0.37**	**0.25**	**1.08**	**14.0**	**9.9**	**21.7**	**92.2**
	Inferred	544	0.31	0.24	0.11	0.61	1.7	1.3	1.9	10.6
	Planned dilution	*5*	*0.00*	*0.00*	*0.00*	*0.00*	*0.0*	*0.0*	*0.0*	*0.0*

Notes:

1. *Mrs. Cecilia Artica, SME Registered Member, Principal Geology Consultant of Mining Plus, is responsible for this Mineral Resource statement and is an "independent Qualified Person" as such term is defined in NI 43-101.*
2. *The Mineral Resource is reported using a cut-off grade of 0.21% CuEq calculated using [copper grade (%)] + [gold grade (g/t) x 0.613].*
3. *The Mineral Resource is considered to have reasonable prospects for eventual economic extraction by underground mass mining such as block caving.*
4. *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.*
5. *The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.*
6. *MRE is reported on 100 percent basis within an optimised shape.*
7. *Figures may not compute due to rounding.*

<u>Alpala Mineral Reserve Estimate</u>

The Mineral Reserve for the Alpala deposit has been estimated using block caving as the sole underground mining method, taking into account the effect of dilution of indicated material with lower grade or barren material originating from within the caved zone and the overlying cave backs, representing the economically mineable part of the measured and indicative resource, based on achievable mine plan and production schedule. The initial Mineral Reserve represents 21% of Measured and Indicated Resources tonnes and approximately 38% of contained metal in dollar terms.

Mineral Reserve category	Mt	Grade			Contained metal		
		Cu (%)	Au (g/t)	Ag (g/t)	Cu (Mt)	Au (Moz)	Ag (Moz)
Probable	558	0.58	0.52	1.65	3.26	9.37	30
Total	**558**	**0.58**	**0.52**	**1.65**	**3.26**	**9.37**	**30**

Notes:

1. *Effective date of the Mineral Reserves is 31 March 2022.*
2. *Only Measured and Indicated Mineral Resources were used to report Probable Mineral Reserves.*
3. *Mineral Reserves reported above were not additive to the Mineral Resource and are quoted on a 100% project basis.*
4. *The Mineral Reserve is based on the 18 March 2020 Mineral Resource.*
5. *Totals may not match due to rounding.*
6. *The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.*
7. *The Mineral Reserve Estimate as of 31 March 2022 for Alpala was independently verified by Aaron Spong FAusIMM CP (Min) who is a full-time employee of Mining Plus. Mr Spong fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101 and is the Qualified Person under NI 43-101 for the Mineral Reserve.*

Tandayama-Americа Mineral Resource Estimate

The Tandayama-America MRE#2 dataset with a 30 March 2022 data cut-off comprised 30,892m of diamond drilling from holes 1-41, 458m of surface rock-saw channel sampling from 72 outcrops, and 29,631.6m of final assay results from holes 1-40. The Tandayama-America deposit lies approximately 3km north of the Alpala deposit

The Tandayama-America porphyry copper-gold deposit contains a total Mineral Resource of 528.5Mt @ 0.36% CuEq for 1.27Mt Cu, and 3.16Moz Au in the Measured plus Indicated categories containing 1.27 Mt Cu and 3.16 Moz Au, plus 105.1Mt @ 0.36% CuEq for 0.26Mt Cu, and 0.62Moz Au in the Inferred category.

Potential Mining Method	Cut-off Grade (CuEq %)	Resource Category	Tonnage (Mt)	Grade			Contained Metal		
				Cu (%)	Au (g/t)	CuEq (%)	Cu (Mt)	Au (Moz)	CuEq (Mt)
Open Pit	0.16	Measured	17.8	0.20	0.16	0.30	0.04	0.09	0.05
		Indicated	338.7	0.23	0.21	0.36	0.78	2.28	1.23
		Inferred	35.7	0.22	0.23	0.36	0.08	0.26	0.13
Underground	0.28	Indicated	172.0	0.26	0.14	0.35	0.45	0.78	0.60
		Inferred	69.4	0.26	0.16	0.36	0.18	0.36	0.25
Total Measured + Indicated			**528.5**	**0.24**	**0.19**	**0.36**	**1.27**	**3.16**	**1.89**
Total Inferred			105.1	0.24	0.18	0.36	0.26	0.62	0.38

Notes:

1. *Dr Andrew Fowler, MAusIMM CP(Geo), Principal Geology Consultant of Mining Plus, is responsible for this Mineral Resource statement and is an "independent Qualified Person" as such term is defined in NI 43-101.*
2. *The Mineral Resource is reported using cut-off grades that are applied according to the mining method where 0.16 % CuEq applies to potentially open-pittable material and 0.28 % CuEq applies to material potentially mineable by underground bulk mining methods. Copper equivalency is discussed in detail in "Reasonable Prospects for Eventual Economic Extraction",*
3. *The Mineral Resource is considered to have reasonable prospects for eventual economic extraction by open pit or underground bulk mining such as block caving as described below.*
4. *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.*
5. *The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.*
6. *The underground portion of the Mineral Resource is reported on 100 percent basis within an optimized shape as described below.*
7. *Figures may not compute due to rounding.*

CARNEGIE RIDGE RESOURCES S.A.

Rio Amarillo

Location: Imbabura province, northern Ecuador
Ownership: 100% Subsidiary: Carnegie Ridge Resources S.A.
Tenement Area: 3 concessions, 123 km^2
Primary Targets: Copper-gold porphyry

SolGold's 100%-owned Rio Amarillo project in northern Ecuador lies approximately 30km southeast of the Company's flagship Alpala porphyry copper-gold-silver deposit. The Rio Amarillo project comprises three concessions, Rio Amarillo 1, 2 & 3.

The main target areas at Varela, Florida, Palomar and Chalanes exhibit porphyry style surface mineralisation and alteration covering a vertical extent of up to 1,800m over a 12km-long by 3km-wide northeast-trending, highly magnetic, porphyry belt. The major northeast trending magnetic belt is intersected by a secondary northwest-trending magnetic feature, likely to represent the intersection of two deep-seated crustal-scale fracture zones, later filled by intrusive bodies with magnetic characteristics indicative of strongly differentiated and mineralised systems. This structural regime has strong similarities to that encountered at the Alpala deposit, located about 30km to the northwest.

Fathom Geophysics was commissioned to undertake 3D geochemical modelling based on the Cohen and Halley studies (Cohen 2011 and Halley et al., 2015). Both models are based on the Yerington model but use slightly different geochemical thresholds as the Halley model incorporates data from other porphyry districts. The resulting 3D models have significantly upgraded the Varela target, highlighting the similarities between the Varela and Alpala lithocap footprints and geochemical signatures. The Fathom 3D models have proven highly predictive when used at both the Alpala and Porvenir projects for targeting porphyry mineralisation.

The Varela target exhibits a classic well-preserved metalliferous lithocap and hydrothermal alteration system with a full complement of porphyry plume elements, the classic signature of a large scale strongly mineralised porphyry copper-gold(-molybdenum) system as seen in the 3D model.

Three drill holes were completed at the Varela target, Rio Amarillo project, with a total of 3,743 m drilled, Drilling commenced in August 2021, the first drill hole RDH-21-001 was stopped at 1,708.10m, hole RDH-21-002 drilled 1,500.40m, and hole RDH-21-003 was stop at 534.55m due to the Covid-19 related temporary suspension of field operations in January 2022. The three holes intersected potassic, intermediate argillic and phyllic alterations with presence of B type veins with variable content of sulfides such as chalcopyrite, pyrite and molybdenum.

Assays were reported as follows, hole 1 returning 72.0m @ 2.16 g/t Au, including 24.0m @ 5.77 g/t Au. Hole 2 returned 12.0m @ 1.35 g/t Au, and hole 3 did not report any significant intersection. Trace-element and multi-element geochemistry appears consistent with the drill holes sited nearby to a potential porphyry gold-copper system

Exploration activities have been focused on detailed mapping and rock sampling in the Pugaran prospect, for defining drilling targets.

CRUZ DEL SOL S.A.

Helipuerto

Location: Morona Santiago province, south-eastern Ecuador
Ownership: 100% Subsidiary: Cruz Del Sol S.A.
Tenement Area: 4 concessions, 184 km^2
Primary Targets: Porphyry & epithermal copper-gold

The Tinkimints copper prospect and the Helipuerto project concessions lie within one of the most prolific portions of the Andean Jurassic Porphyry Belt, which hosts globally significant copper and gold deposits in Ecuador, several of which have been developed into mines, such as the nearby Fruta del Norte and Mirador mines, the Santa Barbara, Panantza and Warintza deposits, and SolGold's Cacharposa deposit at Porvenir.

The Tinkimints prospect is located adjacent to Solaris's Warintza copper deposit and is characterised by highly anomalous copper and copper/zinc in soil over a 1.5km by 1km area. High values of copper in soil are observed at Tinkimints, including 0.71% Cu and 0.16% Cu in soils.

Extensive and systematic geological and geochemical field programs are continuing at Helipuerto with an initial focus on the delineation of the size and tenor of the new Tinkimints copper prospect. Additional technical teams have been mobilised to Helipuerto to begin mapping and sampling the area directly south of Solaris' Warintza copper-gold porphyry discovery that abuts SolGold's Helipuerto concessions.

Exploration completed in the area south-east of the Warintza South defined a new target named Juank, delineating a multielement anomaly of 900m x 700 m.

GREEN ROCK RESOURCES S.A.

Porvenir

Location: Zamora Chinchipe province, southern Ecuador
Ownership: 100% Subsidiary: Green Rock Resources S.A.
Tenement area: 7 concessions, 244km^2
Primary Targets: Copper-gold porphyry

The Porvenir project is located approximately 100km north of the Peruvian border, in Southern Ecuador. The Cacharposa porphyry copper-gold target is part of a 1,700m long northerly-trending mineralised corridor, up to 1,000m wide.

SolGold released the maiden Mineral Resource Estimate for the Cacharposa deposit at Porvenir in October 2021 and an NI 43-101 Technical Report on the Porvenir property has been filed at www.sedar.com.

Total Mineral Resource of 396.8Mt @ 0.44% CuEq [1] for 1.40 Mt Cu, and 1.80 Moz Au in the Indicated category, plus 96.9 Mt @ 0.37% CuEq for 0.28 Mt Cu, and 0.38 Moz Au in the Inferred category, using a cut-off grade of 0.16% CuEq.

Mineral Resource Statement (effective date 26 October 2021)

Potential Mining Method	Cut-off Grade (Cu Eq %)	Resource Category	Tonnage (Mt)	Grade			Contained Metal		
				Cu (%)	Au (g/t)	CuEq (%)	Cu (Mt)	Au (Moz)	CuEq (Mt)
Open Pit	0.16	Indicated	396.8	0.35	0.14	0.44	1.40	1.80	1.75
		Inferred	96.9	0.29	0.12	0.37	0.28	0.38	0.36

Notes:

1. *Dr Andrew Fowler, MAusIMM CP(Geo), Principal Geology Consultant of Mining Plus, is responsible for this Mineral Resource statement and is an "independent Qualified Person" as such term is defined in NI 43-101.*
2. *The Mineral Resource is reported using a cut-off grade calculated for the open pit mining method.*
3. *Copper equivalency factor of 0.632 (whereby CuEq = Cu + Au x 0.632) is based on third party metal price research, forecasting of Cu and Au prices, and a cost structure from mining study data available from a similar deposit. Costs include mining, processing and general and administration (G&A). Net Smelter Return (NSR) includes off-site realisation (TC/RC) including royalties, metallurgical recoveries (84% for Cu and 65% for Au) and metal prices of Cu at US$3.30/lb and Au at US$1,700/oz. The Mineral Resource is considered to have reasonable prospects for eventual economic extraction by open pit mining methods.*
4. *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.*
5. *The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.*
7. *Figures may not compute due to rounding.*

The Mineral Resource includes strong grades exposed at surface over a 650m long strike length, which is naturally presented for the early years of mining. Open Pit Optimisation studies performed independently by Mining Plus Pty Ltd utilising Geovia Whittle™ software, show that this near-surface zone approximately equates to a potential starter pit of 44.0Mt grading 0.64% CuEq (0.44% Cu, 0.34g/t Au) with a low strip (waste to ore) ratio of 0.61.

Open pit optimisation results further identify an internal, higher-grade, potentially open-pittable zone, containing 181.3Mt grading 0.52% CuEq (0.37% Cu, 0.23g/t Au) with a strip (waste to ore) ratio of 1.30.

Initial work on the Porvenir project PEA began and during the quarter study work focused on:

- Mine Engineering activities
- Process plant & Infrastructure Engineering

The study has been delayed as announced 22 November 2022.

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 Advisor to SolGold and former Head of Exploration for the Group. Mr Ward is a Fellow of the Australasian Institute of Mining and Metallurgy, holds the designation FAusIMM (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.

SolGold

ADDITIONAL DISCLOSURE FOR ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets out a breakdown of all material components of certain costs to the Group for the quarters ended 31 December 2022 and 2021.

MINERAL PROPERTIES – EXPLORATION AND EVALUATION

The following table sets out the total deferred exploration costs recorded by the Group for the Cascabel concession, the Ecuador regional exploration projects, Australian projects and the Solomon Islands projects for the quarters ended 31 December 2022 and 2021.

	Cascabel project		Ecuador regional exploration projects		Australian projects		Solomon Islands projects		Total	
Exploration expenditures	**Dec'22 (US$'000)**	**Dec'21 (US$'000)**	**Dec'22 (US$'000)**	**Dec'21 (US$'000)**	**Dec'22 (US$'000)**	**Dec'21 (US$'000)**	**Dec'22 (US$'000)**	**Dec'21 (US$'000)**	**Dec'22 (US$'000)**	**Dec'21 (US$'000)**
Balance, beginning of period	**267,266**	**240,269**	**97,970**	**74,545**	**9,287**	**10,145**	**552**	**495**	**375,076**	**325,453**
Licence fee	353	-	7	-	1	17	-	-	361	17
Assays and geochemistry	40	344	39	102	-	-	-	-	79	446
Camp costs	384	640	139	1,073	-	-	-	-	523	1,713
Drilling	895	2,617	9	3,975	-	-	-	-	904	6,592
Geophysics	-	-	-	-	-	-	-	-	-	-
Community	1,848	1,771	318	1,142	-	-	-	1	2,166	2,914
Salaries & labour	2,206	2,004	1,375	2,116	-	9	-	39	3,581	4,168
Environment	279	299	32	223	-	-	-	-	311	522
PEA	12	-	208	-	-	-	-	-	220	-
PFS	1,397	1,015	3	-	-	-	-	-	1,400	1,015
DFS	1,077	243	-	-	-	-	-	-	1,077	243
Other	1,347	1,605	772	1,277	-	-	-	2	2,119	2,884
Total exploration expenditures	**277,104**	**250,806**	**100,872**	**84,453**	**9,288**	**10,171**	**552**	**537**	**387,816**	**345,967**
Mineral properties abandoned	-	-	(11)	(31)	-	-	-	-	-11	(31)
Foreign exchange adjustment	-	-	-	-	448	44	35	3	483	47
Balance at end of period	**277,104**	**250,806**	**100,861**	**84,422**	**9,736**	**10,215**	**587**	**540**	**388,289**	**345,983**

EXPLORATION OUTLOOK

Exploration activity will continue at the Company's priority projects during the current financial year. Extensive and systematic geological and geochemical field programmes are underway and priority drill targets are expected to be ranked and drill ready. The Company will also continue the process to identify potential JV/earn-in partners over select 100%-owned early-stage exploration projects.

The Australian exploration program will continue to focus on target generation and project development through geological reconnaissance activities and planned geophysics surveys. Field activities are not planned for the coming months due to the limited access during the wet season.

Property	Summary of completed activities (1 October 2022 – 31 December 2022)	Expenditures (Quarter ended 31 December 2022) US$	Plans for the property([1])	Planned expenditures for the six-month period: 1 January 2023 to 30 June 2023([1]) US$
Cascabel concession	• Study work • Diamond core drilling campaign • Geotechnical, metallurgical, hydrogeological, and hydrological programmes • 3D modelling • Community initiatives • Land acquisitions	US$9.8 million	Financial year ending 30 June 2023 • Drilling and assaying • Mineral Reserve Estimate and Mineral Resource updates • Metallurgical test work • Geochemical characterisation test work • Surface geotechnical investigations • Ongoing studies as part of the DFS • Land acquisitions • Community Projects • Environmental studies	US$18.57 million
Ecuador regional exploration projects	• Development of priority targets • Exploration reconnaissance including mapping, soils and rock chips • Community engagement	US$2.9 million	Financial year ending 30 June 2023: • Resource drilling program • Mineral Resource Estimates • Continued exploration reconnaissance • Further target generation • Community engagement	US$10.90 million
Australia projects	• Project assessment • Tenement management & administration • Environmental authority management	US$1k	Financial year ending 30 June 2023: • Soils and rock chip sampling • Ground EM survey • Field mapping • 2D & 3D geochemical and geophysical data interpretation and modelling • EM data reprocessing and modelling • Integrated modelling of 3D IP, VTEM and Magnetic • Inversion model data review • Project assessment	US$4.32 million

Property	Summary of completed activities (1 October 2022 – 31 December 2022)	Expenditures (Quarter ended 31 December 2022) US$	Plans for the property(1)	Planned expenditures for the six-month period: 1 January 2023 to 30 June 2023(1) US$
Solomon Island projects	• Community consultation	US$nil	• Nil	US$nil

Notes: (1) This information is considered forward-looking information. See "*Forward-Looking Statements*".

LIQUIDITY AND CAPITAL RESOURCES

On 31 December 2022 the Group had cash and cash deposits of US$77,177,646, an increase from US$26,102,133 on 30 June 2022.

Cash expenditure (before financing activities) for the six months ended 31 December 2022 was US$33,051,964 (2021: US$50,875,702). Accordingly, the net cash outflow of the Group for the six months ended 31 December 2022 was US$51,114,059 (2021: outflow of US$51,123,992).

Cash of US$22,961,177 (2021: US$40,377,286) was invested by the Group on exploration expenditure during the six months ended 31 December 2022.

LIQUIDITY OUTLOOK

	For the period ended	
	31 December 2022 US$	**30 June 2022 US$**
Cash and cash equivalents	77,177,646	26,102,133
Other receivables and prepayments	7,712,451	4,742,156
Loans receivable and other current assets[1]	2,013,107	3,553,291
Trade and other payables	(10,866,459)	(6,509,078)
Net working capital	**76,036,745**	**27,888,502**

[1] Represent the CFLP with repayment by Employees due December 2023.

SolGold funds its current exploration and corporate costs through existing cash and cash equivalents. The Company has no capital commitments but has certain obligations to expend minimum amounts on exploration in tenement areas. As outlined in the Company's latest consolidated annual financial statements, such commitments (tenement fees) on 30 June 2022 amount to US$3,409,029 and US$9,405,314 over the next 12 months and 13-month to 5-year period, respectively.

GOING CONCERN

As of 31 December 2022 the Company had cash on hand of US$77.18 million and net current assets of US$84.44 million. The Directors have reviewed the cash position of the Group and the Company for the period to 30 June 2024 and consider it appropriate that the Group and the Company financial statements are prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business, for the reasons set out below.

The Group has not generated revenues from operations in its history and, in common with many exploration companies, the Group raises finance for its exploration and appraisal activities in discrete tranches. As such, the ability of the Group to continue as a going concern depends on its ability to secure this additional financing.

Management continues to monitor and manage its liquidity risks closely and regularly produces cash flow forecasts. Under the base case scenario and with the successful recently signed Royalty Agreement, the Group would have sufficient funds until December 2024.

Together with their brokers and financial advisers, the Directors and Management continuously monitor the conditions in the relevant capital markets and regularly consider various forms of financing available to SolGold. The Directors and Management are in regular touch with equity investors and actively participate in investor conferences and other forms of investor engagements as there is a need to secure further funding to meet their exploration and working capital commitments.

OUTSTANDING SHARE DATA

On 31 December 2022 the Company had on issue 2,476,051,501 ordinary shares with the authority to allot new shares up to a maximum of two-thirds of its issued share capital, subject to certain restrictions and conditions primarily associated with the pro-rated nature of any such allotment. On 9 February 2023, the date of this report, the Company had on issue 2,476,051,501 ordinary shares. On 31 December 2022 the Company had outstanding options to purchase an aggregate of 42,250,000 ordinary shares with exercise prices ranging from £0.25 to £0.50 per share and expiry dates ranging from 26 April 2023 and 1 December 2027.

CONTINGENCIES

A 2% Net Smelter Royalty is payable to Santa Barbara Resources Limited, who were the previous owners of the Cascabel concession. These royalties can be bought out by paying a total of US$4 million. Fifty percent (50%) of the royalty can be purchased for US$1 million 90 days following the completion of a feasibility study and the remaining 50% of the royalty can be purchased for US$3 million, 90 days following a production decision. The smelter royalty is considered to be a contingent liability as the Group has not yet completed a Feasibility Study on 30 December 2022 as such there is significant uncertainty over the timing of any payments that may fall due.

SolGold elected to undertake the Optional Subscription under the terms of the Term Sheet (Term Sheet) signed between SolGold plc and Cornerstone Capital Resources Inc. (CGP), CGP's subsidiary Cornerstone Ecuador S.A, (CESA) and Exploraciones Novomining S.A, (ENSA) and holds an aggregate registered and beneficial equity position in ENSA of 85% under the terms of the Term Sheet. CGP and CESA elected to obtain the benefit of the Financing Option whereby SolGold will solely fund all operations and activities of ENSA until the completion of the Feasibility Study, including CESA's contribution as the registered and beneficial holder of an aggregate equity position in ENSA of 15%. After completion and delivery of the Feasibility Study, SolGold and CESA shall jointly fund the operations and activities of ENSA based on their respective equity positions in ENSA on a proportionate basis. Furthermore, the Term Sheet allows for SolGold to be fully repaid for the financing provided, including interest at LIBOR plus 2% for the expenditures incurred by SolGold from the time CGP and CESA elected the Financing Option. SolGold is to be repaid out of 90% of CESA's distribution of earnings or dividends from ENSA or the Cascabel concession to which CESA would otherwise be entitled. If CESA does not elect to contribute and its equity stake in ENSA is diluted to below 10%, its equity stake in ENSA will be converted to a 0.5% interest in the Net Smelter Return and SolGold may acquire this interest for US$3.5 million at any time. (Note on 7 October 2022, SolGold plc and Cornerstone Capital Resources Inc. announced that they have entered into a definitive agreement whereby SolGold will acquire all of the issued and outstanding shares of Cornerstone, other than Cornerstone Shares already held, directly or indirectly, by SolGold, pursuant to a court-approved plan of arrangement. The transaction has not been completed at the time of this report.)

The amount of financing provided to CESA on 31 December 2022 was US$52,458,912 (2021: US$45,165,886). This will be paid out of CESA's distribution of earnings or dividends from ENSA or the Cascabel tenement if and when the mine goes into production.

There were no other contingent assets or liabilities on 31 December 2022 (2021 nil).

TRANSACTIONS WITH RELATED PARTIES AND DIRECTOR RELATED ENTITIES

Transactions with related parties are disclosed in Note 13 to the 31 December 2022 unaudited interim condensed consolidated financial statements. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The figures noted below are for the six-month period ended 31 December 2022 with comparative figures for the six months ended 31 December 2021.

The Company had a commercial agreement with Samuel Capital Ltd ("Samuel") for the engagement of Nicholas Mather as Non- Executive Director of the Company. For the half year ended 31 December 2022 US$33,493 was paid or payable to Samuel (2021: US$36,440). The total amount outstanding on 31 December 2022 was US$6,114 (31 December 2021: US$6,556, 30 June 2022: US$6,330).

Mr James Clare (Director), is a partner in the Canadian firm Bennett Jones lawyers. For the half year ended 31 December 2022, US$1,342,136 was paid or payable to Bennett Jones (2021: US$214,917) for the provision of legal services to the Company. The services were based on normal commercial terms and conditions. The total amount outstanding on 31 December 2022 is US$1,000,427 (31 December 2021: US$9,045, 30 June 2021 US$nil).

The key management personnel of the Company are the Directors and officers of the Company. Compensation awarded to key management relating to consulting fees and share-based payments for the quarters ended 31 December 2022 and 2021 are listed below.

During the quarter, US$32,100* employer's social security costs (2021: US$28,190) were paid in respect of remuneration for key management personnel.

*Social security costs of key management personnel for the December 2022 quarter have been rolled over from September 2022 quarter as the information is pend on confirmation from the payroll provider and immaterial variance is expected compared to last quarter.

	Basic Annual Salary US$	Bonus US$	Other Benefits[1] US$	Pensions US$	Total Remuneration US$
December 2022					
Directors					
Darryl Cuzzubbo[2]	188,803	-	244,716	4,108	437,627
Scott Caldwell[3]	33,333	-	-	-	33,333
Nicholas Mather	22,225	-	-	-	22,225
James Clare	16,669	-	-	-	16,669
Dan Vujcic[4]	13,605	-	-	-	13,605
Liam Twigger	29,180	-	-	3,064	32,244
Elodie Grant Goodey[5]	21,621	-	-	-	21,621
Kevin O'Kane[5]	16,327	-	-	-	16,327
Maria Amparo Alban	16,497	-	-	-	16,497
Other Key Management Personnel[6]	614,886	-	-	16,208	631,094
Total paid to Key Management Personnel	**973,146**	**-**	**244,716**	**23,380**	**1,241,243**

[1] Other Benefits represents the fair value of the share options granted during the year based on the Black-Scholes model considering the effects of the

vesting conditions.
[2] Darryl Cuzzubbo resigned as Chief Executive Officer on 10 November 2022.
[3] Scott Caldwell appointed as Independent Non-Executive Director on 24 October 2022 and interim Chief Executive Officer on 10 November 2022.
[4] Dan Vujcic appointed as Independent Non-Executive Director on 24 October 2022.
[5] Elodie Grant Goodey and Kevin O'Kane did not seek re-election at Annual General Meeting on 22 December 2022.
[6] Other key management personnel consist of the aggregated remuneration of Rufus Gandhi (Group General Counsel and Company Secretary), Keith Pollocks (Interim CFO), Benn Whistler (Technical Services Manager-resigned) and Tania Cashman (Chief Human Resources Officer – no longer with the company).

	Basic salary US$	Bonus US$	Other benefits[1] US$	Pensions US$	Total remuneration US$
December 2021					
Directors					
Darryl Cuzzubbo[2]	0	-	-	2,556	37,640
Keith Marshall[3]	105,734	-	-	-	105,734
Nicholas Mather	18,166	-	-	-	18,166
Brian Moller[4]	15,014	-	-	-	15,014
James Clare	18,257	-	-	-	18,257
Jason Ward[5]	92,994	-	-	-	92,994
Liam Twigger	32,105	-	-	3,210	35,315
Elodie Grant Goodey	21,851	-	-	-	21,851
Kevin O'Kane	20,046	-	-	-	20,046
Maria Amparo Alban	18,194	-	-	-	18,194
Other Key Management Personnel[6]	532,011	-	-	22,424	554,435
Total paid to Key Management Personnel	**909,456**	**-**	**-**	**28,190**	**937,646**

[1] Other benefit represents the fair value of the share options granted during the year based on the Black-Scholes model considering the effects of the vesting conditions.
2 Darryl Cuzzubbo appointed CEO 1 December 2021
3 Keith Marshall stepped down as CEO, after handover with new CEO, 1 December 2021
4 Brian Moller ceased to be a Non-Executive Director 15 December 2021 following the results of the AGM
5Jason Ward's basic annual salary consists of annual consultancy fees paid for the period.
6 Other Key Management Personnel consist of the aggregated remuneration of Dennis Wilkins (Company Secretary), Benn Whistler (Technical Services Manager), Chris Connell (Regional Exploration Manager), Peter Holmes (Director of Studies), Ingo Hofmaier (Interim Chief Financial Officer, Executive General Manager, Projects and Corporate Finance), and Lisa Park (Metallurgy Manager).

FINANCIAL INSTRUMENTS AND RELATED RISKS

The Group's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. A summary of the major financial instrument risks and the Group's approach to management of these risks are highlighted below.

CREDIT RISK

The Group is exposed to credit risk primarily from the financial institutions with which it holds cash and cash deposits. The Group's cash and cash deposits are held with Australian, Ecuadorean, UK and Swiss financial institutions. Management believes that the credit risk concentration with respect to financial instruments included in other receivables and prepayments is manageable.

FOREIGN CURRENCY RISK

The Group's operations have limited exposure to currency movements. 97% of the Group's funds are held in US Dollars, reflective of the expense profile of the Group. Ecuador has the US Dollar as its official currency, minimising foreign exchange risk materially.

LIQUIDITY RISK

The Group has no source of operating cash flow to fund its exploration projects and is dependent on raising funds in capital markets from a variety of eligible private, corporate and financial investors, or from interested third parties (including other exploration and mining companies) which may be interested in earning an interest in the projects of the Group. The success of such capital raisings is dependent upon a variety of factors including general equities and metals market sentiment, macro-economic outlook, project prospectivity, operational risks and other factors from time to time. Should the Group be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

COMMODITY PRICE RISK

The Company is exposed to price risk with respect to commodity prices, even as a pre-production company. Commodity price risk is defined as the potential adverse impact on future earnings and economic value due to commodity price movements and volatilities. The Company believes that commodity price movements can have a substantial effect on the market value of the Company.

OFF-BALANCE SHEET ARRANGEMENTS

On 31 December 2022, the Group had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Group, other than those disclosed as contingent liabilities.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities, disclosure of commitments and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions. Actual results could differ from these estimates.

EXPLORATION AND EVALUATION EXPENDITURE

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

The carrying values of exploration and evaluation expenditure were assessed for indicators of impairment based on an estimation of the recoverability from expected future development and production. In forming this assessment, the Group considered the external Mineral Resources Estimate, the status of its permits and internal economic models and financing which supported the carrying value of the project. An impairment charge of US$11,388 (December 2021: US$3,338,739) was recognised in the quarter for exploration expenditure.

NET ROYALTY INTEREST

The NSR royalty has been valued using the amortised cost basis. IFRS 9 requires that amortised cost is calculated using the effective interest method, which allocates interest expense at a constant rate over the term of the instrument. The effective interest rate of a financial liability is calculated at initial recognition and is the rate that exactly discounts the estimated future cash flows through the expected life of the financial liability, based on the then current mine plan and project development study assumptions.

In the case of the Franco-Nevada NSR royalty, the Company arrived at an effective interest rate ("EIR") of 11.84%. Total interest for the half year estimated at US$5,101,704.37 (2021: US$6,466,883.01). Should there be a 2% increase in the EIR this would increase the Finance Expenses by US$1,783,555.

In the case of the Osisko NSR royalty, the Company arrived at an effective interest rate ("EIR") of 8.87%. Total interest for the half year estimated at US$368,373.55 (2021: US$nil). Should there be a 2% increase in the EIR this would increase the Finance Expenses by US$1,003,757.

CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2021 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods on (or after) 1 July 2021 and will be applied in the 2022 annual financial statements.

New standards and interpretations

The Group has adopted the following revised and amended standards. The list below includes only standards and interpretations that could have an impact on the Consolidated Financial Statements of the Group.

Effective period commencing on or after		
IFRS 3	Reference to the Conceptual Framework	1 Jan 2022
IAS 16	Property, Plant and Equipment	1 Jan 2022
IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	1 Jan 2022

Details of the impact that these standards had is detailed below. Other new and amended standards and Interpretations issued by the IASB do not impact the Group or Company as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

IFRS 3 Business Combinations: Reference to the Conceptual Framework

In May 2020, the International Accounting Standards Board ("IASB") amended IFRS 3 to update an outsourced reference to the Conceptual Framework without significantly changing the requirements in the standard.

The amendment is effective for periods beginning on or after 1 January 2022 with early application permitted. Management has assessed the effects of applying the amendment on the Group's financial statements and has determined that there is no material impact.

IAS 16: Property, Plant and Equipment – proceeds before intended use

The proposed amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendment is effective for periods beginning on or after 1 January 2022 with early application permitted. Management has assessed the effects of applying the amendment on the Group's financial statements and has determined that there is no material impact.

IAS 37 Onerous Contracts – Cost of Fulfilling a Contract

In May 2020 the amendments to IAS 37 specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour or materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendment is effective for periods beginning on or after 1 January 2022 with early application permitted. Management has assessed the effects of applying the amendment on the Group's financial statements and has determined that there is no material impact.

RISKS AND UNCERTAINTIES

Resource exploration, evaluation and development is a high-risk business. There is no certainty that the investments made by the Company in the exploration of properties will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of a property. There is no assurance the Group has, or will have, commercially viable ore bodies. Capital expenditures to bring a property to a commercial production stage are significant and require special skills and long-term planning. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the additional risks to the Company and Group, that they may be exposed to from time to time:

HEALTH & SAFETY

Safety risks are inherent in exploration and mining activities and include both internal and external factors requiring consideration to reduce the likelihood of negative impacts. The current highest risk, due to the geographical spread of exploration activities, is associated with transportation of people to and from the project areas. This includes transit vehicle accidents with a potential for fatalities due to vehicle impacts or rollovers. In addition, the remote locations of drilling activities increase the risk of delays in gaining access to effective emergency medical assistance resulting in delayed treatment in the event of incident or accident. The expansion of the Group's footprint in Ecuador also potentially increases safety risk.

Health and safety reviews, inspections, audits and hazard assessments are completed on a regular basis to ensure effective, procedures and controls are in place. Any incident resulting in serious injury or death may result in litigation and/or regulatory action (including, but not limited to suspension of development activities and/or fines and penalties), or otherwise adversely affect the Group's reputation and ability to meet its objectives.

The Group's exploration and business activities were impacted by the COVID-19 pandemic. The Group has adapted the way it conducts its business in response to the pandemic and follows mandates of various and relevant Governments as well as responding to the concerns of local communities in Ecuador.

SOCIAL LICENCE TO OPERATE

Strong community relations are fundamental to creating safe, sustainable and successful operations. Losing the support from any individual community would be a risk for activities in that area and to the Company's broader reputation.

The Group´s concessions are near and, in limited areas, overlap with local communities, and local approvals are often needed in order to access and operate in these areas.

The Group often enters into agreements with local communities, groups or individuals that address surface access, road or trail usage, local employment, social investment and other key issues. Every local stakeholder relationship, however, requires ongoing dialogue and relationship management.

Events do not always unfold as intended or according to plan, however, and the status of relations can deteriorate for any number of reasons, including, but not limited to:

- Influences of local or external political or social representatives or organisations
- Shifts in the agendas or interests of individuals or the community as a whole
- The Group´s inability to deliver on community expectations or its commitments
- Concerns stemming from communities' historic or recent experiences with legal and/or illegal miners.

However, if under extreme circumstances the Group were to lose its social licence with one or more communities and be unable to regain it, this could impact the viability of the project. By the same token, if the Group is unable to obtain social licences from some communities, initial exploration could be prevented.

PEOPLE AND LEADERSHIP

Establishing an effective composition of the Board, succession processes and evaluation methods is critical to the success of the Group. The Group is dependent on recruiting and retaining high performing leaders focussed on managing the Group's interests, requiring a large number of persons skilled in the project development, engineering, financing, operations and management of mining properties.

Competition for such persons is high in the current commodity price environment. The inability of the Group to successfully attract and retain highly skilled and experienced executives and personnel could have a material adverse effect on SolGold's business, its ability to attract financing and the results of operations. In-country industrial relations risk, and the potential increase in politicisation of the country, places a risk on the Group and the country's focus on the development of a mining industry.

GENERAL EXPLORATION AND EXTRACTION RISKS

Exploration activities are speculative, time-consuming and can be unproductive. In addition, these activities often require substantial expenditure to establish Reserves and Resources through drilling and metallurgical and other testing, determine appropriate recovery processes to extract copper and gold from the ore and construct mining and processing facilities. Once deposits are discovered it can take several years to determine whether Reserves and Resources exist. During this time, the economic viability of production may change. As a result of these uncertainties, the exploration programmes in which the Group is engaged may not result in new Reserves.

GEOPOLITICAL, REGULATORY AND SOVEREIGN RISK

SolGold's exploration tenements are located in Ecuador, Australia and the Solomon Islands and are subject to the risks associated with operating both in domestic and foreign jurisdictions.

Operating in any country involves some risk of political and regulatory instability, which may include changes in government, negative policy shifts, changes to the tax and royalty regime and civil unrest. In addition, there is a risk that due to the deterioration of the macroeconomic situation, governments may consider imposing currency controls and limitations on capital flows. Specifically, under Ecuadorean law, citizens have a constitutional right pursuant to a judicial process, to apply to the Constitutional Court for approval for a public referendum on any subject matter. In 2019, an application was made to the Ecuadorean Constitutional Court to request to have a referendum held, the effect of which was to seek to stop mining activities at the Cascabel concession. The Constitutional Court unanimously rejected the application. However, despite the Constitutional Court ruling on that particular occasion, no assurance can be given that at some future time a similar application designed to seek to stop mining at Cascabel or in any other location of interest to the Group, will not be made. Anti-mining activism involving protests or blockage of access is a risk for operational areas.

The availability and rights to explore and mine, as well as industry profitability generally, can be affected by changes in government policy that are beyond the control of SolGold. These factors may have a negative impact on the ability of the Group to secure external financing and an adverse effect on the Group's market value and the going concern of the business as whole.

TITLE RISK

SolGold's concessions and interest in concessions are subject to the various conditions, obligations and regulations which apply in the relevant jurisdictions including Ecuador, Australia (Queensland) and the Solomon Islands. If applications for title or renewal are required, this can be at the discretion of the relevant government minister or officials. If approval is refused, SolGold will suffer a loss of the opportunity to undertake further exploration, or development, of the tenement.

Some of the properties may be subject to prior unregistered agreements or transfers of native or indigenous peoples' land claims and title may be affected by undetected defects or governmental actions. No assurance can be given that title defects do not exist. If a title defect does exist, it is possible that SolGold may lose all or a portion of the property to which the title defects relate.

ENVIRONMENTAL

The Group's exploration activities are required to adhere to both international best practice and local environmental laws and regulations. Any failure to adhere to globally recognised environmental regulations could adversely affect the Group's ability to explore under its exploration rights. Significant liability could be imposed on SolGold for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by SolGold or its subsidiaries, or non-compliance with environmental laws or regulations.

SolGold proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations. Nevertheless, residual risks inherent in SolGold's activities could lead to financial liabilities.

LAND ACCESS, PERMITTING AND SURFACE RIGHTS

The Group is required to obtain governmental permits to conduct different phases of exploration and evaluation on its concessions.

Obtaining the necessary permits can be a complex and time-consuming process, which at times may involve several different government agencies. The duration and success of the Group's efforts to obtain permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by permitting authorities, the expertise and diligence of civil servants, and the timeframes for agency decisions.

The Group may not be able to obtain permits in a timeframe that might be reasonably expected. Any unexpected delays associated with the permitting processes could slow exploration and could adversely impact the Group's operations.

There is a risk of permits that are needed for ongoing operations being denied regarding tenure and other development related infrastructure. Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective concessions is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. Access to land for exploration purposes can be affected by land ownership, including private (freehold) land, pastoral lease and native title land or indigenous claims.

Immediate access to land in the areas of activities cannot in all cases be guaranteed. SolGold may be required to seek consent of land holders or other persons or groups with an interest in real property encompassed by, or adjacent to, SolGold's tenements. Compensation may be required to be paid by SolGold to land holders so that SolGold may carry out exploration and/or mining activities.

Where applicable, agreements with indigenous groups must be in place before a mineral tenement can be granted. In the long run SolGold will be required to acquire large areas of land for its surface operations, posing a risk of delays and increasing prices the longer the process takes.

MINERAL RESERVE AND RESOURCE ESTIMATES

Mineral Reserve and Mineral Resource figures are estimates, and there is a risk that the estimated Mineral Resources and Mineral Reserves will not be realised. The quantity of Mineral Resources and Mineral Reserves may vary depending on, among other things, metal prices. Any material changes in the quantity of Mineral Resources, Mineral Reserves or the amount of the Mineral Reserves that are mined, and metal recoveries achieved in production may affect the economic viability of any project.

Mineral Resources that are not Mineral Reserves have not demonstrated economic viability, and there is a risk that they will never be mined or processed profitably. Further, there is a risk that Inferred Mineral Resources will not be upgraded to proven and probable Mineral Reserves as a result of continued exploration.

Fluctuations in gold and copper prices, results of drilling, metallurgical testing and preparation and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of Mineral Reserves could have a material adverse effect on SolGold's results of operations and financial condition.

PROJECT DEVELOPMENT

Where the Group discovers a potentially economic resource or reserve, there is no assurance that the Group will be able to develop a mine thereon, or otherwise commercially exploit such resource or reserve. Any failure to manage effectively the Group's growth and development could have a material adverse effect on the Group's business, financial condition and results of operations. There is no certainty that all or, indeed, any of the elements of the Group's current strategy will develop as anticipated.

FUNDING

The exploration, evaluation and development of the Group's projects will require substantial additional financing above and beyond the Group's current liquid funds. Current global capital market conditions have been subject to significant volatility, and access to equity and debt financing, particularly for resource companies, has been negatively impacted in recent years. The war in the Ukraine, the increasingly hawkish tilt of Western central banks and the arrival of inflation more generally have injected additional risk into the global capital markets, with most indices lower for the year.

These factors may impact the Group's ability to obtain equity or debt financing in the future. Additional financing may not be available, or if available, the terms of such financing may be unfavourable compared to earlier capital raises. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration activities and the development of the Group's projects.

FINANCIAL, REPORTING AND CONTROL RISK

SolGold's aspiration is to have a corporate culture that is designed to encourage transparency and professionalism, protect our shareholders' funds and inspire confidence in our workforce. It is crucial that the Group maintains high ethical standards and there is no tolerance of fraud, bribery, any form of corruption or unethical activity. Internal control over financial reporting may not always prevent or detect misstatements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors carries out its responsibility for the consolidated financial statements primarily through the Audit and Risk Committee, which is comprised of independent, non-executive directors who meet periodically with management and the auditors to review financial reporting and internal control matters.

DISCLOSURE CONTROLS AND PROCEDURES & INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Group is accumulated and communicated to management of the Group as appropriate to allow timely decisions regarding required disclosure. The Chief Executive Officer and Chief Financial Officer of the Group are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 — Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). The Chief Executive Officer and Chief Financial Officer of the Group have concluded that, as at December 31, 2022, the Group's DC&P have been designed and operate effectively to provide reasonable assurance that: (i) material information relating to the Group is made known to them by others, particularly during the period in which the annual filings are being prepared; and (ii) information required to be disclosed by the Group in its annual filings, interim filings or other reports filed or submitted by the Group under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. They have also concluded that the Group's ICFR have been designed effectively to provide reasonable assurance regarding the reliability of the preparation and presentation of the financial statements for external purposes in accordance with IFRS and were effective on 31 December 2022. It should be noted that, while the Chief Executive Officer and Chief Financial Officer of the Group believe that the Group's DC&P provide a reasonable level of assurance that they are effective, they do not expect that the disclosure controls will prevent all errors and fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met. ICFR are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external reporting purposes in line with IFRS. Management is responsible for establishing and maintaining appropriate ICFR in relation to the nature and size of the Group. However, any system of ICFR has inherent limitations and can only provide reasonable assurance with respect to financial statement preparation and presentation. The Group's ICFR has been designed based on the control framework established in Internal Control - Integrated Framework published in 2013 by The Committee of Sponsoring Organizations of the Treadway Commission. There were no changes to the Group's ICFR that occurred during the half year ended 31 December 2022 that materially affected, or are reasonably likely to affect, the Group's ICFR.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR under the Company's issuer profile at www.sedar.com and can be found on the Company’s website at www.solgold.com.au.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may be deemed "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. All statements in this MD&A, other than statements of historical fact, that address future events, developments or performance that SolGold expects to occur including management's expectations regarding SolGold's growth, results of operations, estimated future revenues, requirements for additional capital, mineral reserve and mineral resource estimates, production estimates, production costs and revenue estimates, future demand for and prices of commodities, business prospects and opportunities and outlook on gold and currency markets are forward-looking statements. In addition, statements (including data in tables) relating to reserves and resources and gold equivalent ounces are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates will be realized. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "scheduled" and similar expressions or variations (including negative variations), or that events or conditions "will", "would", "may", "could" or "should" occur including, without limitation, the performance of the assets of SolGold, the realisation of the anticipated benefits deriving from SolGold's investments and transactions and the estimate of gold equivalent ounces to be received. Although SolGold believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements involve known and unknown risks, uncertainties and other factors, most of which are beyond the control of SolGold, and are not guarantees of future performance and actual results may accordingly differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, without limitation: fluctuations in the prices of the commodities; fluctuations in the value of currency of the United States, Canada, Australia, Switzerland and the United Kingdom; regulatory changes by national and local governments, including permitting and licensing regimes and taxation policies; regulations and political or economic developments in any of the countries where properties in which SolGold holds interest are located; risks related to the operators of the properties in which SolGold holds interests; business opportunities that become available to, or are pursued by SolGold; continued availability of capital and financing and general economic, market or business conditions; litigation; title, permit or license disputes related to interests on any of the properties in which SolGold holds interest; development, permitting, infrastructure, operating or technical difficulties on any of the properties in which SolGold holds interest; risks and hazards associated with the business of exploring, development and mining on any of the properties in which SolGold holds interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, flooding and other natural disasters or civil unrest or other uninsured risks. The forward-looking statements contained in this MD&A are based upon assumptions management believes to be reasonable, including, without limitation: the ongoing operation of the properties in which SolGold holds interest by the owners or operators of such properties in a manner consistent with past practice; no material adverse change in the market price of the commodities that underlie the asset portfolio; no adverse development in respect of any significant property in which SolGold holds interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. For additional information on risks, uncertainties and assumptions, please refer to the AIF of SolGold filed on SEDAR at www.sedar.com which also provides additional general assumptions in connection with these statements. SolGold cautions that the foregoing list of risk and uncertainties is not exhaustive. Investors and others should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. SolGold believes that the assumptions reflected in those forward- looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. These statements speak only as of the date of this MD&A. SolGold undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

CORPORATE INFORMATION

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Chair

Scott Caldwell

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Non-Executive Director

Dan Vujcic

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