

**SolGold plc**  
("SolGold" or the "Company")

## Cascabel Exploration Update

### Hole 12 Intersection Confirms Increased Breadth at Alpala Central

The Board of SolGold (AIM code: SOLG) is pleased to provide the following exploration update for the Company's Cascabel copper-gold porphyry project in Ecuador.

#### HIGHLIGHTS:

- **CSD-15-012 ("Hole 12") confirms extension of the mineralised porphyry copper-gold system at Alpala Central.**
- **CSD-15-013 ("Hole 13") nears target depth.**

#### FURTHER INFORMATION:

Hole 12 was completed on 30th September 2015 at a depth of 1683.0 metres. Hole 12 intersected over a kilometre of visible porphyry copper-gold mineralisation, and confirms that the mineralised system at Alpala Central remains open further to the southeast.

Final assay results are expected mid-October. Visual estimates of copper sulphide abundance, from detailed core logging through these intervals, are promising.

Hole 12 intersected strong copper-gold mineralisation in two distinct zones:

- The upper portion of the "Eastern Limb" zone (234m) from 128 to 362 metres depth, hosted within the San Juan de Lacas Volcanics.
- The "Main Limb" zone (952m) from around 440 metres to 1390 metres depth, hosted within early diorite and quartz-diorite porphyry.

The 234 metre intersection over the upper portion of the "Eastern Limb" zone includes two distinct fingers of higher grade copper and gold mineralisation from 128 to 186 metres and from 224 to 366 metres. These zones are associated with strong chalcopyrite and bornite mineralisation. The occurrence of this strong mineralisation within the volcanic cover bodes well for stronger intrusive hosted mineralisation at depth.

The 952 metre intersection through the "Main Limb" zone, reflects a characteristically strongly mineralised early stage diorite and quartz diorite intrusives from around 444 metres, and from 1151 metres respectively. This broad interval includes extensive zones of intense quartz stock work veining and potassic alteration, which are characteristic of many major porphyry copper-gold deposits around the globe. Examples of drill core from the remaining intersection beyond 979.8 metres depth are presented in **Figure 1**.



SolGold geologists anticipate that the eastern limb likely coalesces with the main limb into a broader zone of high grade mineralisation at depth (**Figure 2**).

Drill testing of this prospective zone of deep coalescence is planned in the near future in order to assess the potential for a much wider target at depth (**Figure 3**; refer planned Hole 'C'). The geometry of the high grade porphyry at Alpala Central, as defined by the limited drilling completed to date, remains open in its largest window to the northeast.

Rig 1 is currently being moved to the previous CSD-13-004 ("Hole 4") drill site where it will be positioned to drill towards the north west, to assess the north east extension of very high grade copper-gold mineralisation intersected in CSD-14-009 ("Hole 9"), CSD-15-010 ("Hole 10") and the lower portion of CSD-14-008 ("Hole 8")(**Figure 3**; refer planned Hole 'B'). Several, other holes have been planned for Rig 1, in order to define the extents of the copper-gold mineralisation Alpala Central (**Figure 3**: refer Holes 'A', 'C', and 'D').

Rig 2 commenced drilling CSD-15-013 ("Hole 13") at the Alpala North West drill site on 29th August 2015, and is currently at a depth of 881.3m. This hole tests the inferred porphyry centre at Alpala North-West, where contiguous geochemical, mineralogical and geophysical targets mark a target defined at depth by magnetic vector inversion, ("MVI") (>0.008 S) and induced polarization magneto telluric ("IP MT") conductivity (>100 ohm-m) (**Figure 4**).

Hole 13 intersected 835.9m of volcanics, before passing into a late stage intra-mineral diorite dyke which has persisted to the current depth of 933.0 metres. Intra-mineral diorite and quartz-diorite dykes at Cascabel are known to be of limited width and extent. Geological modelling predicts that Hole 13 will pass into more prospective early stage intrusive around the 1000m mark. This predictive interpretation is supported by increasing magnetic and conductivity below 900m depth (a shown in Figure 4). Increasing magnetite content as well as increasing chalcopyrite/pyrite ratio, from around 850m depth, further supports the interpretation that the hole is nearing the mineralised system inferred at Alpala North West.

**Qualified Person:**

Information in this report relating to the exploration results is based on data reviewed by Mr Nicholas Mather (B.Sc. Hons Geol.), the Chief Executive Officer of the Company. Mr Mather is a Fellow of the Australasian Institute of Mining and Metallurgy who has in excess of 25 years' experience in mineral exploration and is a Qualified Person under the AIM Rules. Mr Mather consents to the inclusion of the information in the form and context in which it appears.

By order of the Board  
Karl Schlobohm  
Company Secretary



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## NOTES TO EDITORS

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

Cascabel, the Company's flagship copper-gold porphyry project, is located in North West Ecuador on the under-explored northern section of the richly endowed Andean Copper Belt. SolGold owns 85% of Exploraciones Novomining S.A. ("ENSA") and approximately 11% of TSX-V-listed Cornerstone Capital Resources, which holds the remaining 15% of ENSA, the Ecuadorian registered company which holds 100% of the Cascabel concession. To date the Company has completed geological mapping, soil sampling, 14km<sup>2</sup> and 9km<sup>2</sup> Induced Polarisation and Magnetotelluric "Orion" surveys at the Alpala and Aguinaga targets respectively. Diamond drilling continues.

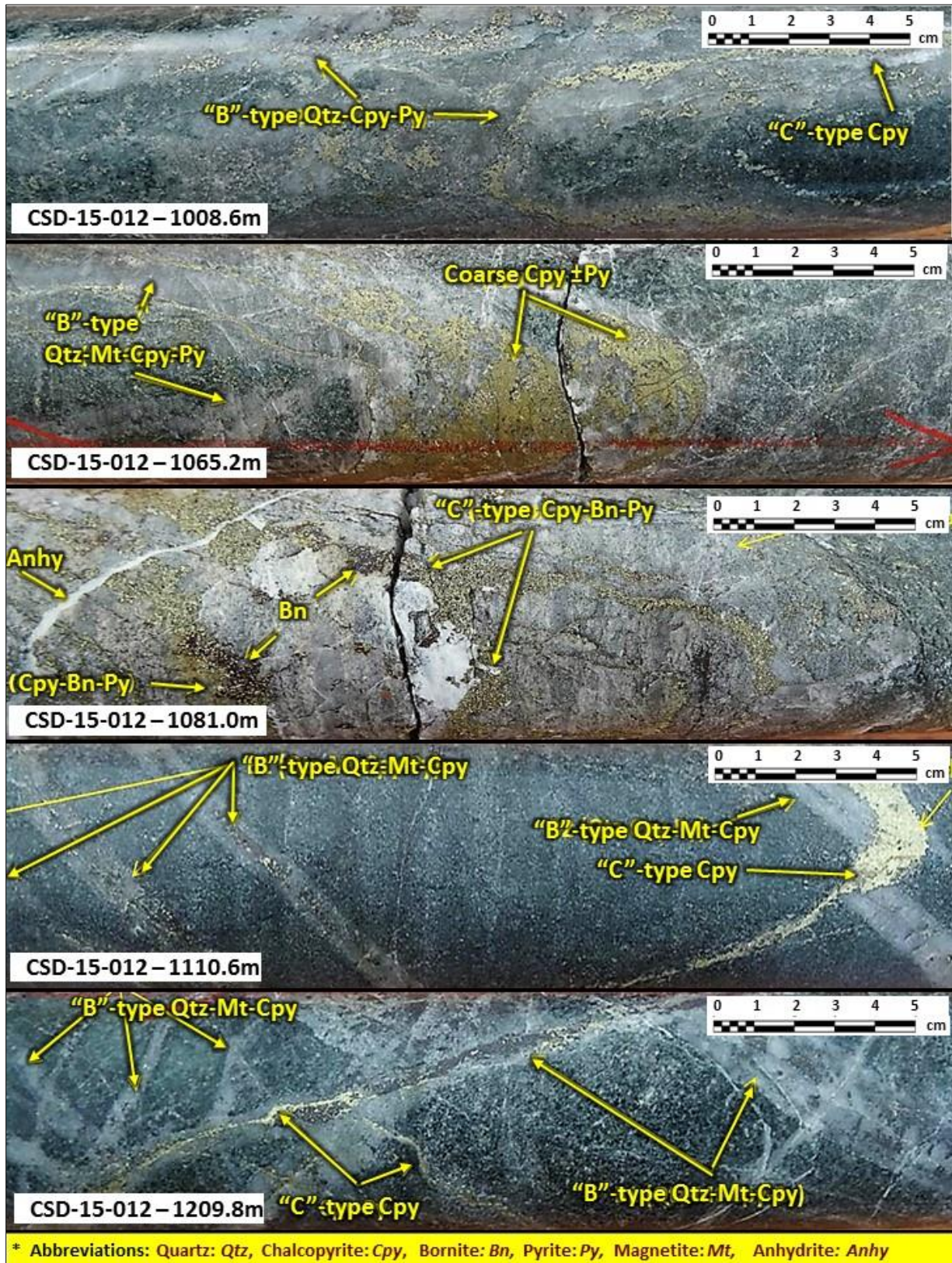
In Queensland, Australia the Company is evaluating the future exploration plans for the Mt Perry, Rannes and Normanby projects. Joint venture agreements are still being investigated with the strategy for the joint venture partner to commit funds and carry out exploration to earn an interest in the tenements.

SolGold is based in Brisbane, Queensland, Australia. The Company listed on London's AIM Market in 2006, under the AIM code 'SOLG' and currently has a total of 760,453,071 fully paid ordinary shares, 4,820,000 options exercisable at 50p, 7,280,000 options exercisable at 28p and 9,280,000 options exercisable at 14p. SolGold has also issued Convertible Notes to two parties on the terms outlined in the RNS of 2 October 2015.

## CAUTIONARY NOTICE

The news release may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's directors. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of the Company that could cause the actual performance or achievements of the Company to be materially different from such forward-looking statements. Accordingly, you should not rely on any forward-looking statements and save as required by the AIM Rules for Companies or by law, the Company does not accept any obligation to disseminate any updates or revisions to such forward-looking statements.

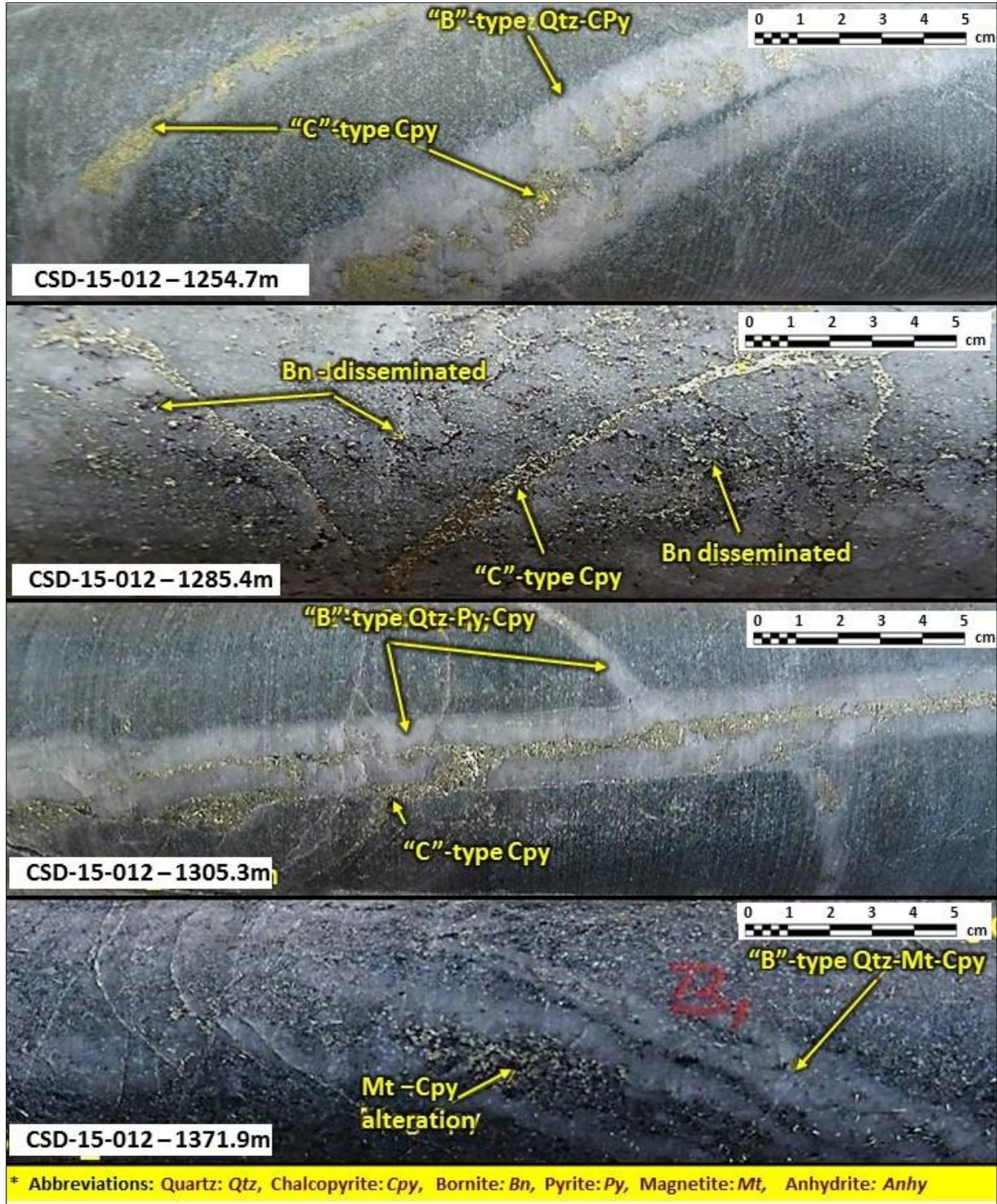


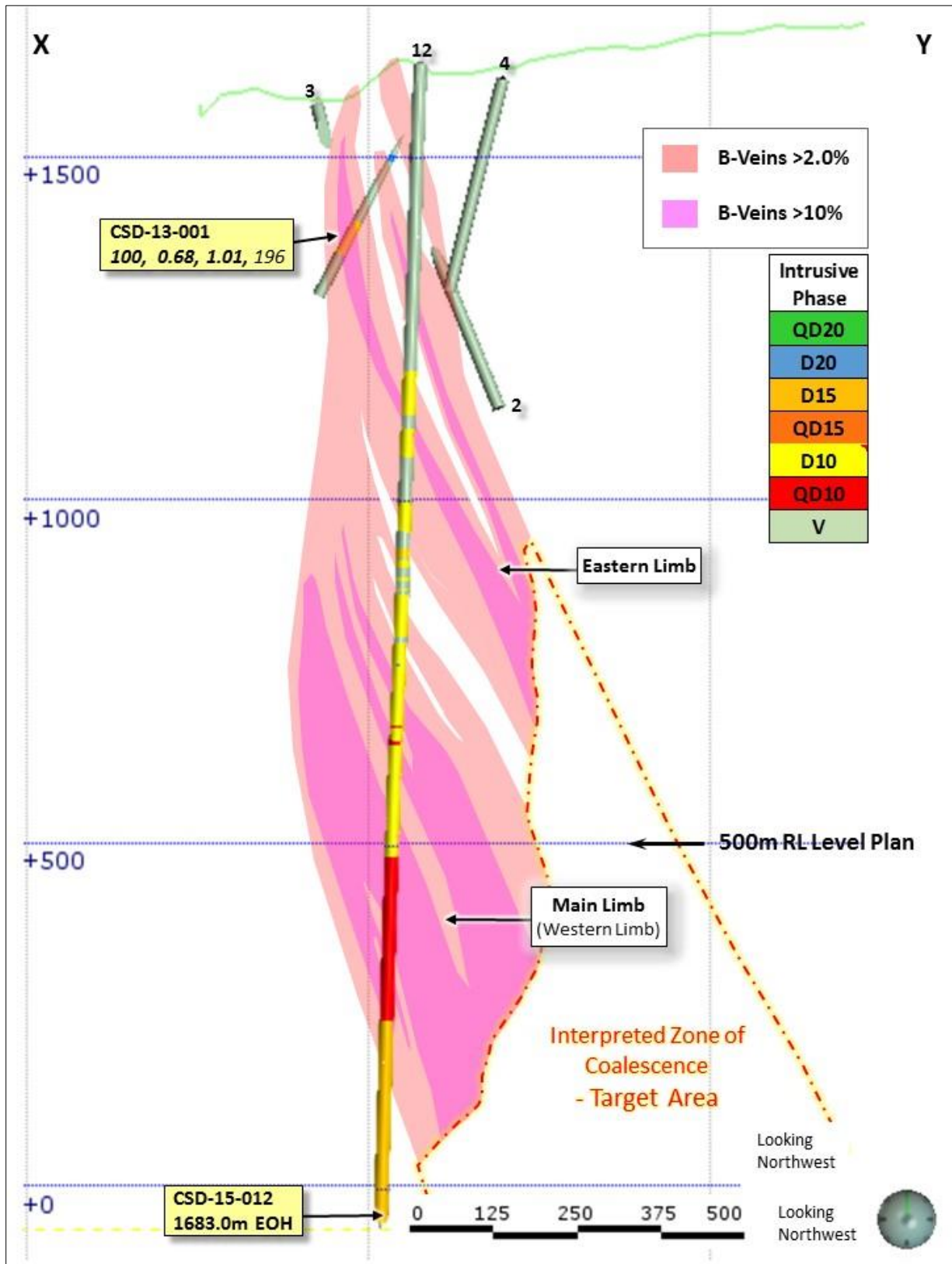


**Figure 1:** Examples of copper mineralisation encountered in Hole 12. Assay results remain pending.



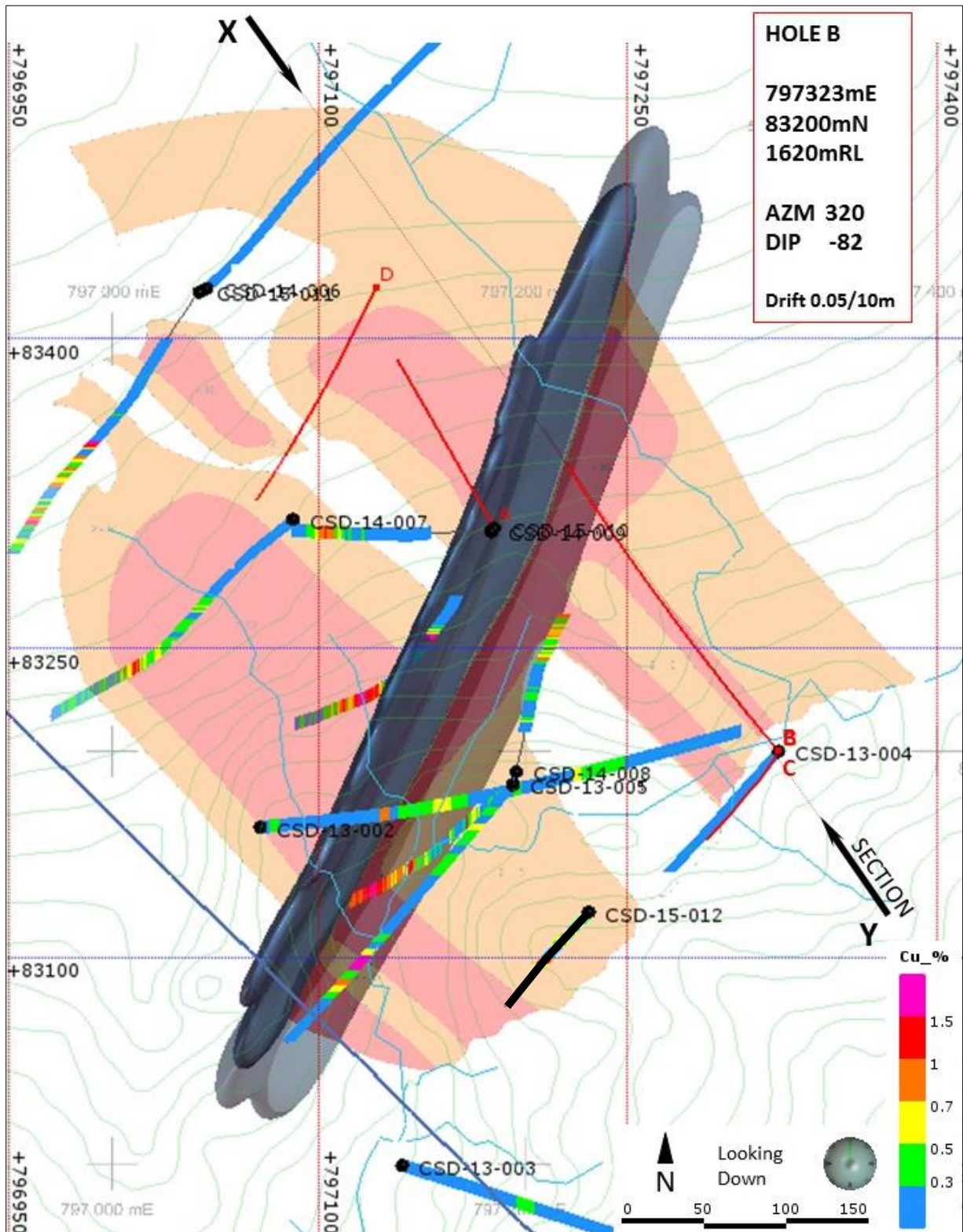
Figure 1: continued...





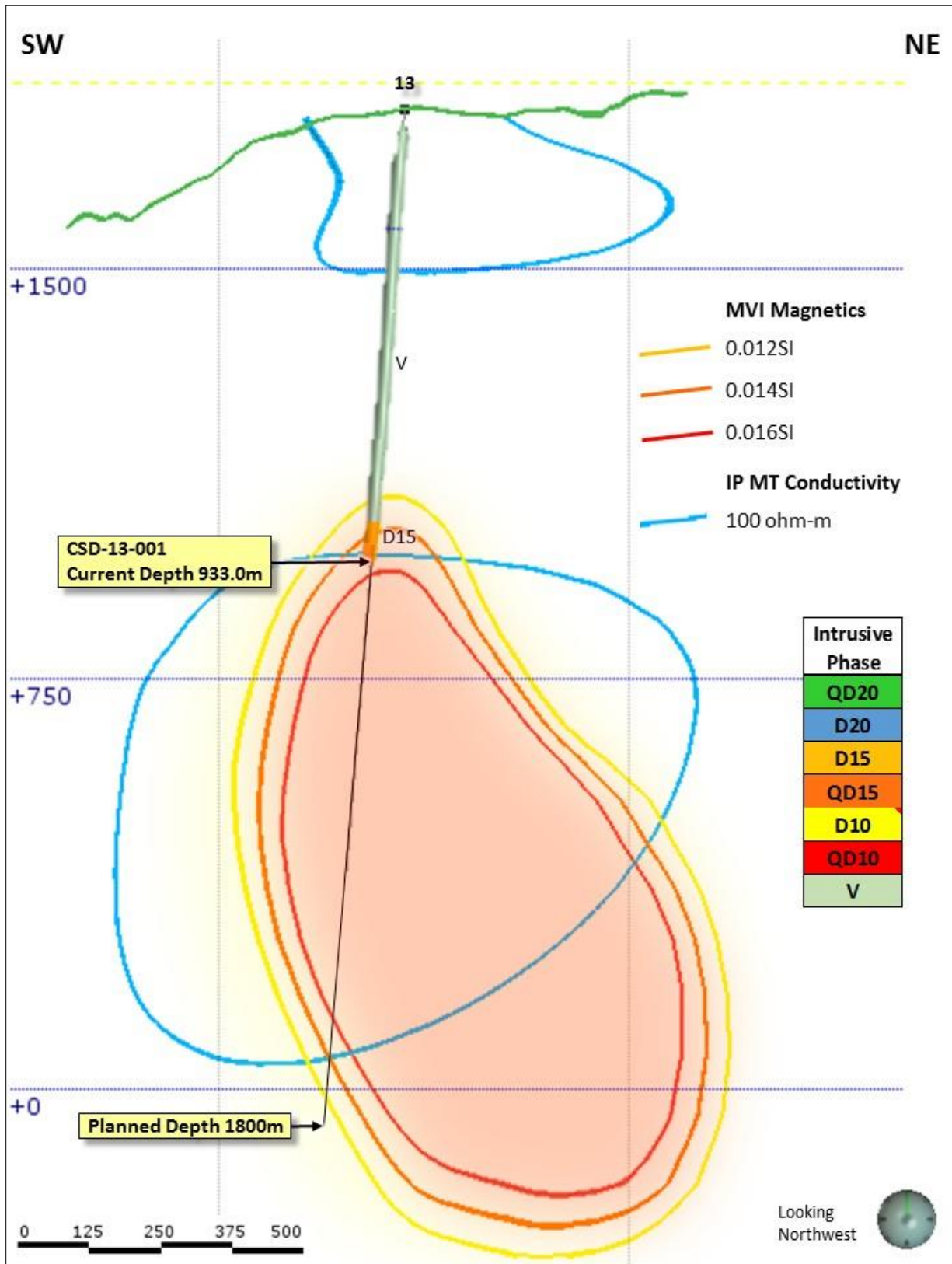
**Figure 2:** Cross-section (X-Y) along Hole 12 path with a window of  $\pm 100\text{m}$ , showing downhole geology with the interpretation of “B”-type quartz vein abundance.





**Figure 3:** Central Alpa drill plan showing existing holes, downhole copper grades, and planned drill holes in red, over the 500m RL B-vein abundance level plan and the 3D model of the north east trending intra-mineral QD20 dyke in blue.





**Figure 4:** Cross-section along Hole 13 path, showing downhole geology and target slices of MVI magnetic and IP MT conductivity models.