



25 November, 2014

SolGold plc
("SolGold" or the "Company")
Cascabel Exploration Update
Strong Visual Copper Sulphides Intersected in Hole 9

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:

- **Strong visual copper sulphide mineralisation intersected from 565.80m to 848.78m in Hole CSD-14-009 ("Hole 9"), at shallow levels above the principal target;**
- **Visual copper sulphide mineralisation intersected over 491.05m from 452.45m to 943.55m depth (current hole depth), above the principal Magnetic Vector Inversion ("MVI") modelling target;**
- **Visual copper sulphides continuing at current hole depth;**
- **Strong copper sulphide mineralisation observed in Hole 9 looks similar to strong intersection at deeper levels in Hole 5;**
- **Assays for interval 450m to 810m expected in early to mid-December; and**
- **High grade targeting near the Alpala footwall structure a key priority.**

Commenting on today's update, SolGold CEO and Managing Director, Alan Martin said:

"The upper part of Hole 9 is showing signs of extensive strong visual copper sulphide mineralisation which has similar style to the high grade copper and gold intersection at deeper levels in Hole 5. This latest intersection of visual copper sulphide mineralisation in Hole 9, located northwest of Hole 8 and east of Hole 7, continues to de-risk the project, and confirms that previous long intersections at Alpala do not occur in isolation but are part of a laterally extensive zone of mineralisation."

FURTHER INFORMATION

Hole 9

Hole 9 is located 120m north of the Hole 5 drill pad and is being drilled with an 85 degree inclination towards 210 degrees UTM (Universal Transverse Mercator) (Figures 1 and 2). Hole 9 was sited to test for the northwest extension of the high-grade mineralisation in Hole 5 and to test for vertical extension of the high grade copper and gold mineralisation up to 500m below the high-grade Hole 5 intersection. Figure 2 shows an oblique view of Hole 9 looking towards the east over the Central and Northwest Alpala area.

Drilling of Hole 9 commenced on 28 October 2014. On 23 November 2014 the hole was at 943.55 metres depth and located just above the principal magnetic target defined by MVI modelling.

Strong and coarse grained visual copper sulphide mineralisation in Hole 9 occurs primarily within a diorite intrusion that has intense B-vein quartz stockworks and disseminations of primary and secondary magnetite. Locally the magnetite occurs in association with secondary biotite, a potassium-bearing phase that confirms the presence of potassic alteration, a traditionally strongly mineralised zone in a porphyry system. Copper sulphide mineralisation is dominated by chalcopyrite, along with some bornite and molybdenite. Figure 3 shows a cross-section through Holes 1, 2, 5, 8 and 9 at Alpala.

Hole 9 continues to intersect visible copper sulphide mineralisation at the current depth of 943.55m.

Plates 1-11 show examples of the coarse grained chalcopyrite intersected in 'B-veins' and 'C-veins' from Hole 9.

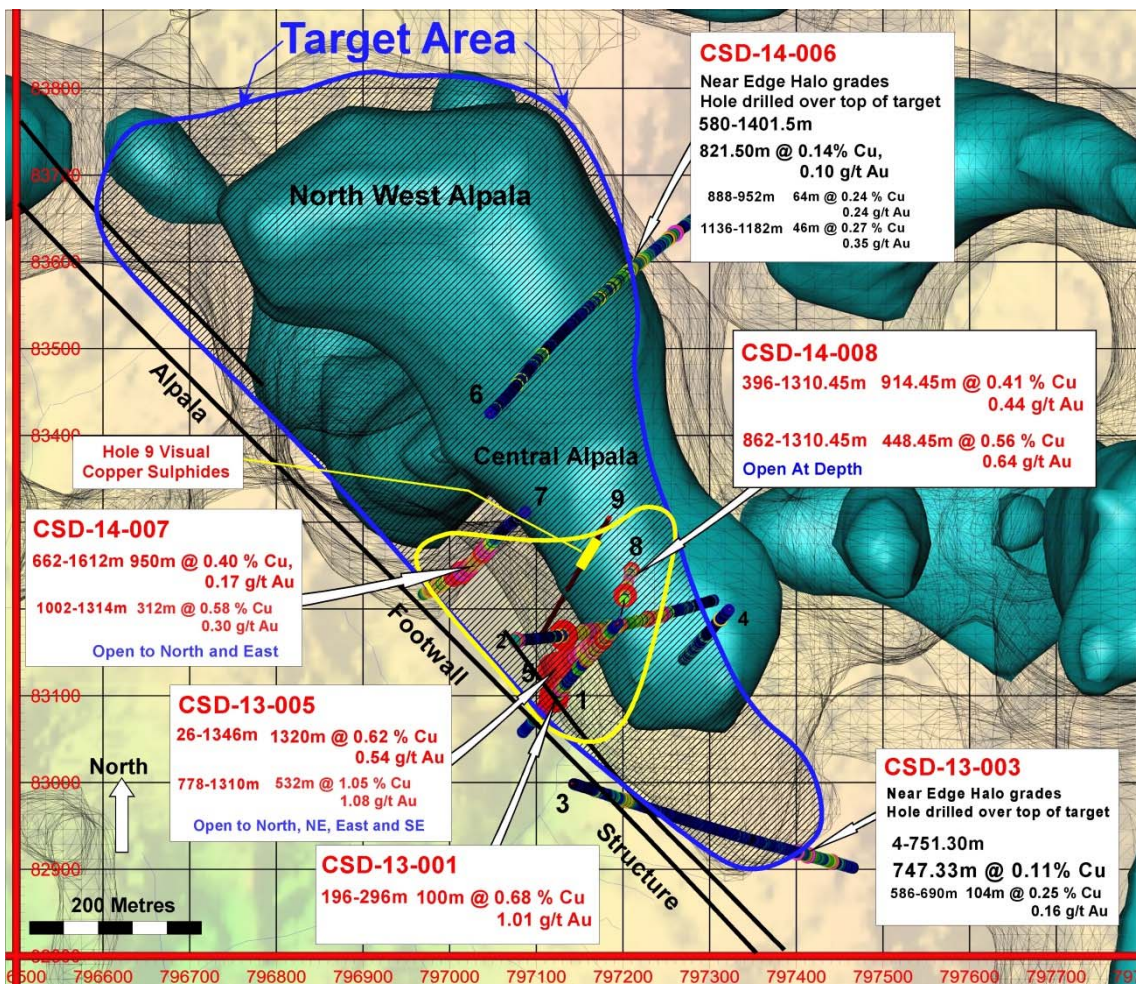


Figure 1: Location of drill holes at Central Alpala. The yellow outline shows the area tested by Holes 5, 7 and 8, whilst the blue outline shows the extent of the Central and North West Alpala target (Target T1). Presently only 14% of the lateral target areas at Central and Northwest Alpala have been tested by drilling. Hole 9 is presently testing for lateral and depth extensions of the high-grade copper-gold mineralisation encountered in Holes 5, 7 and 8. Holes 3 and 6 have assisted in refining the target area, and which will continue to evolve with future drill holes. It is important to note that both Holes 3 and 6 drilled over the top of the Alpala target.

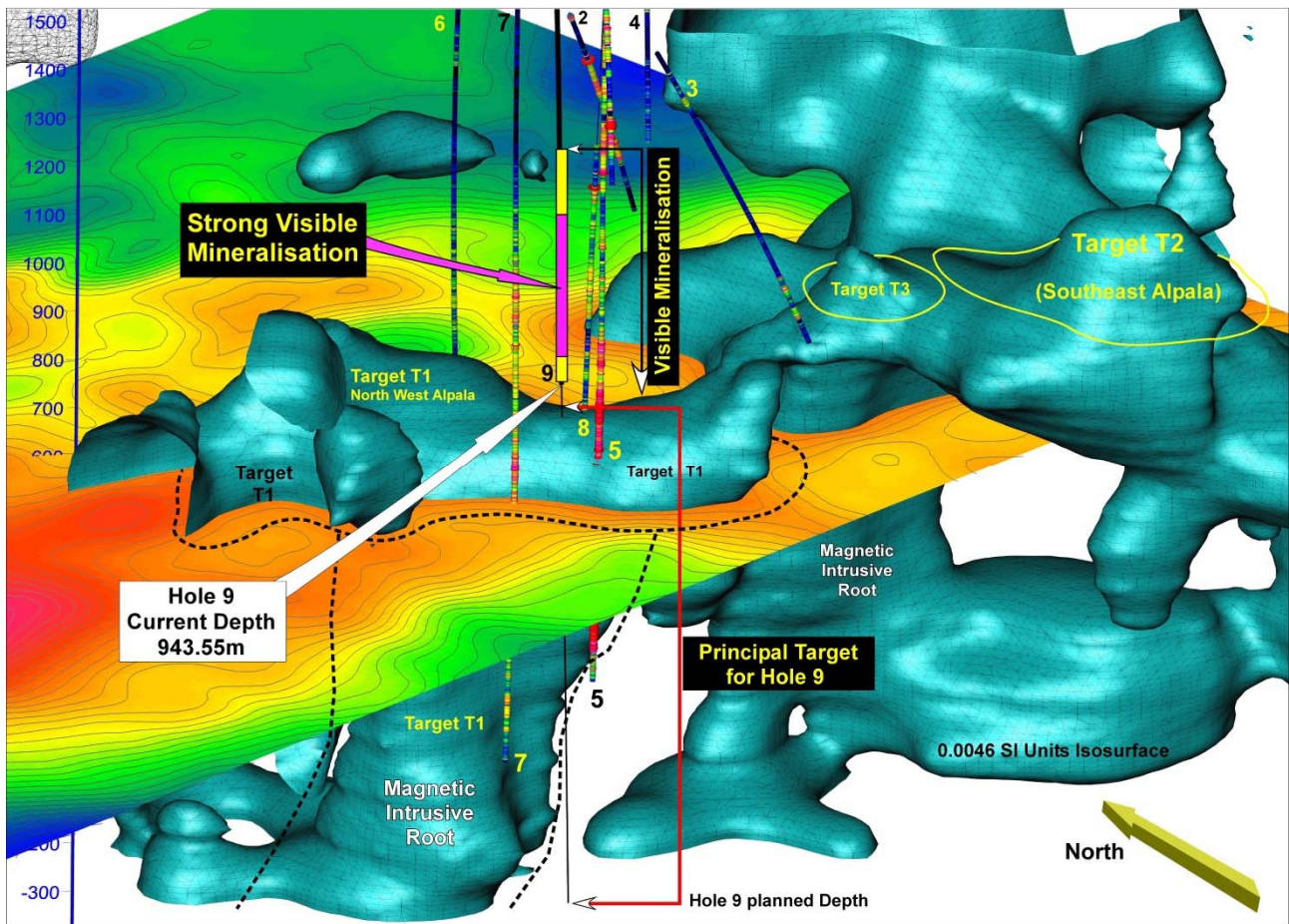


Figure 2: Orthographic view looking down towards the northeast across the principal porphyry target at Central Alpala and North West Alpala (T1), and Target T2 at South East Alpala. The current Hole 9 depth at 943.55m is shown with the location of visible copper sulphide and visible strong copper sulphide mineralisation (pink intervals). The principal high grade target for Hole 9 lies below the current hole depth and near the Alpala Footwall Structure, with drilling progressing well.

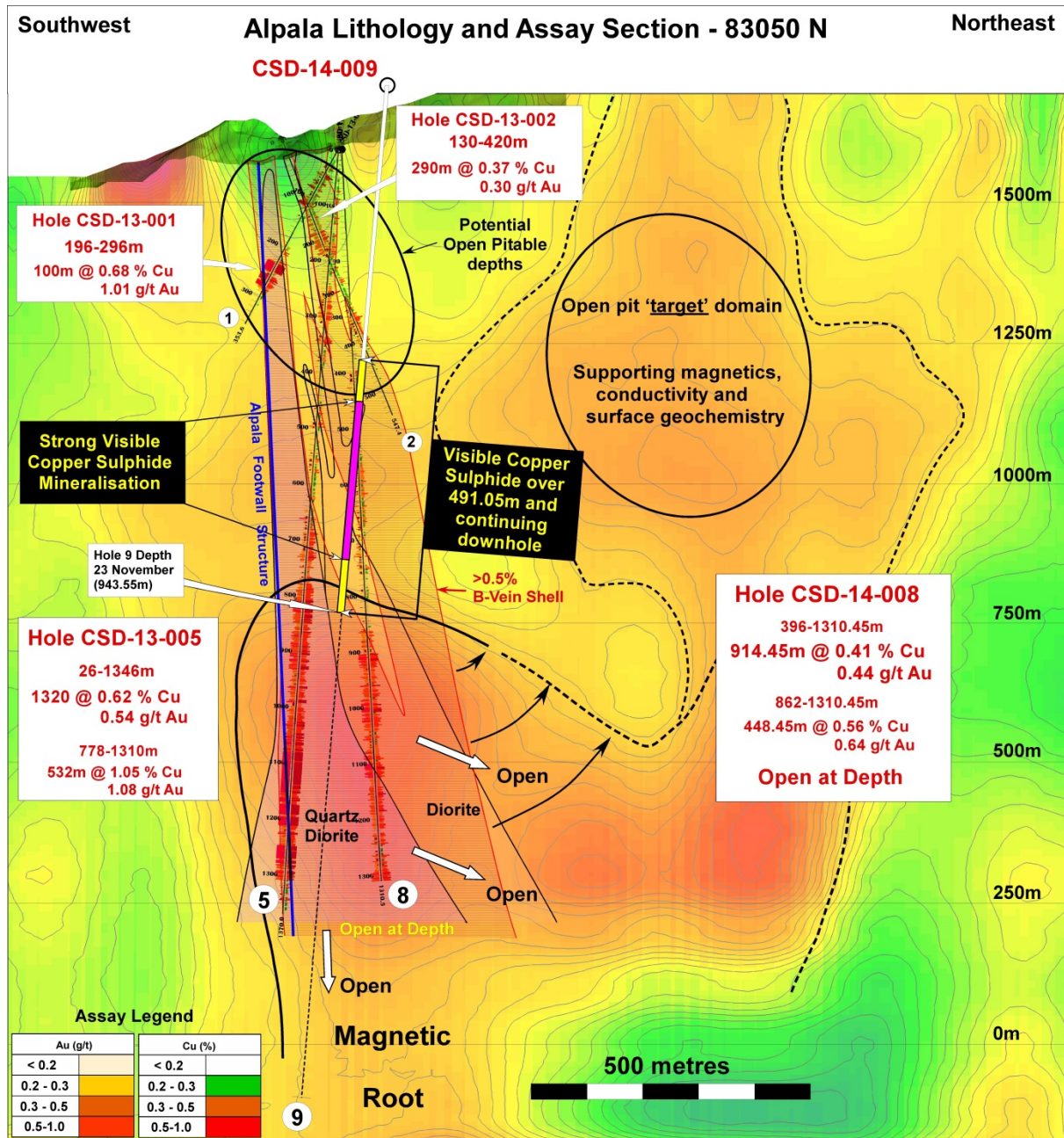


Figure 3 – Northeast-southwest cross-section showing copper and gold assays in Holes 1, 2, 5 and 8 at Alpala. The position of Hole 9 (see Figure 1) is shown projected onto the cross-section, with the current depth at 943.55m shown at the top of the main MVI target anomaly.

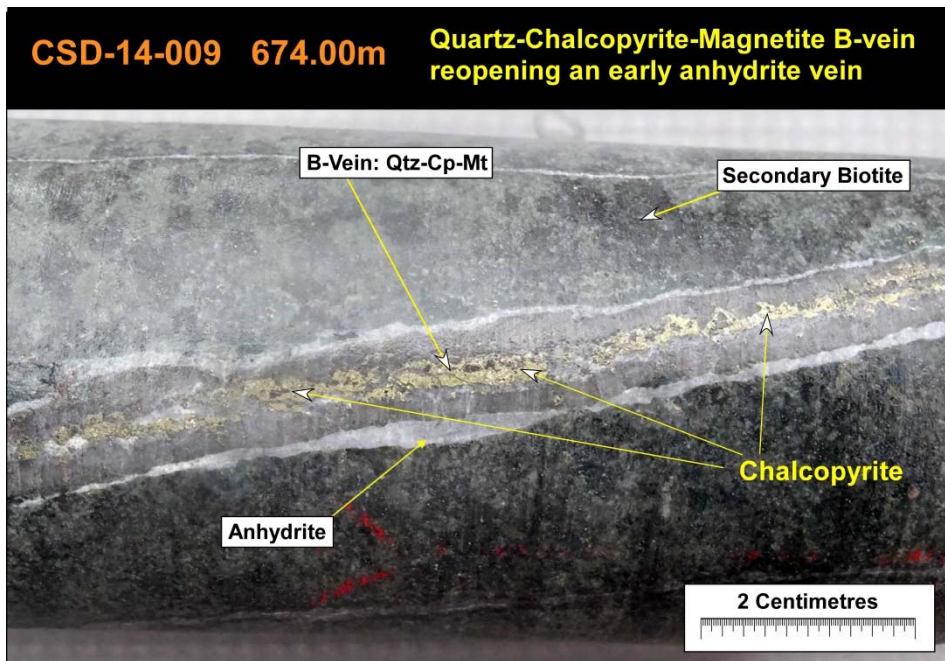


Plate 1 – Chalcopyrite mineralisation in Hole 9 (674.00m depth).

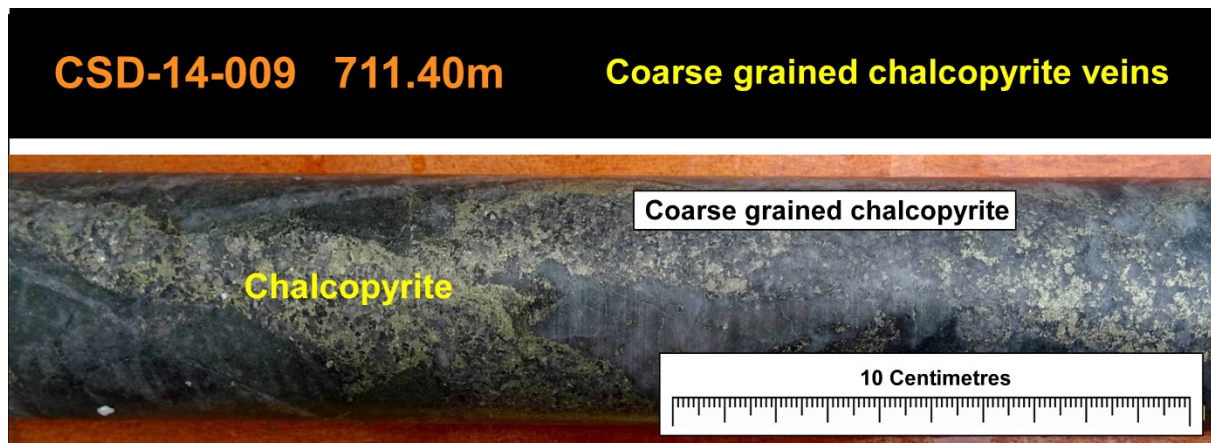


Plate 2 – Chalcopyrite mineralisation in Hole 9 (711.40m depth).

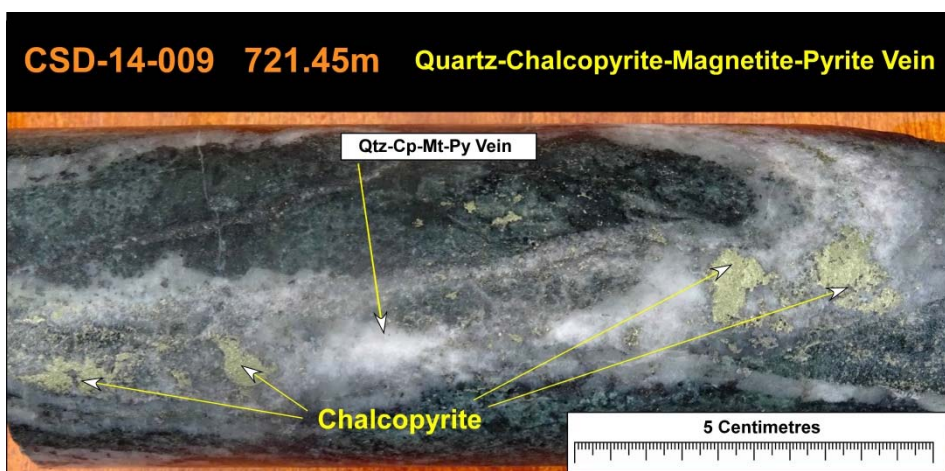


Plate 3 – Quartz-Chalcopyrite-Magnetite-Pyrite veins in Hole 9 (721.45m depth).

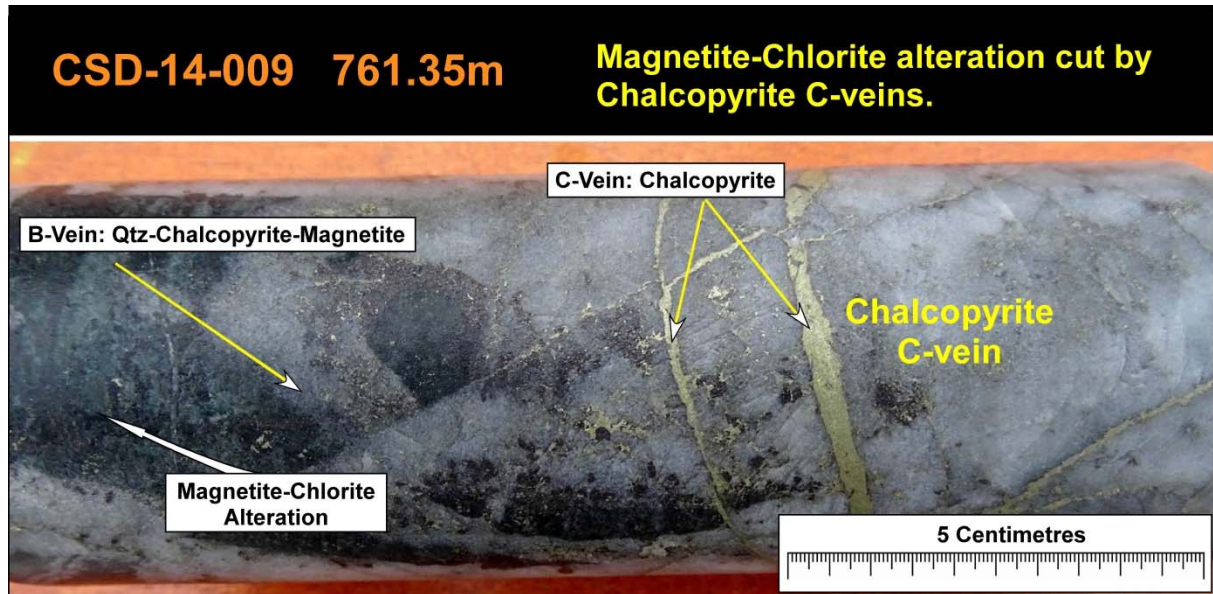


Plate 4 – Quartz-Chalcopyrite-Magnetite veins in chlorite-magnetite altered intrusive, cut by younger chalcopyrite C-veins (761.35m depth).

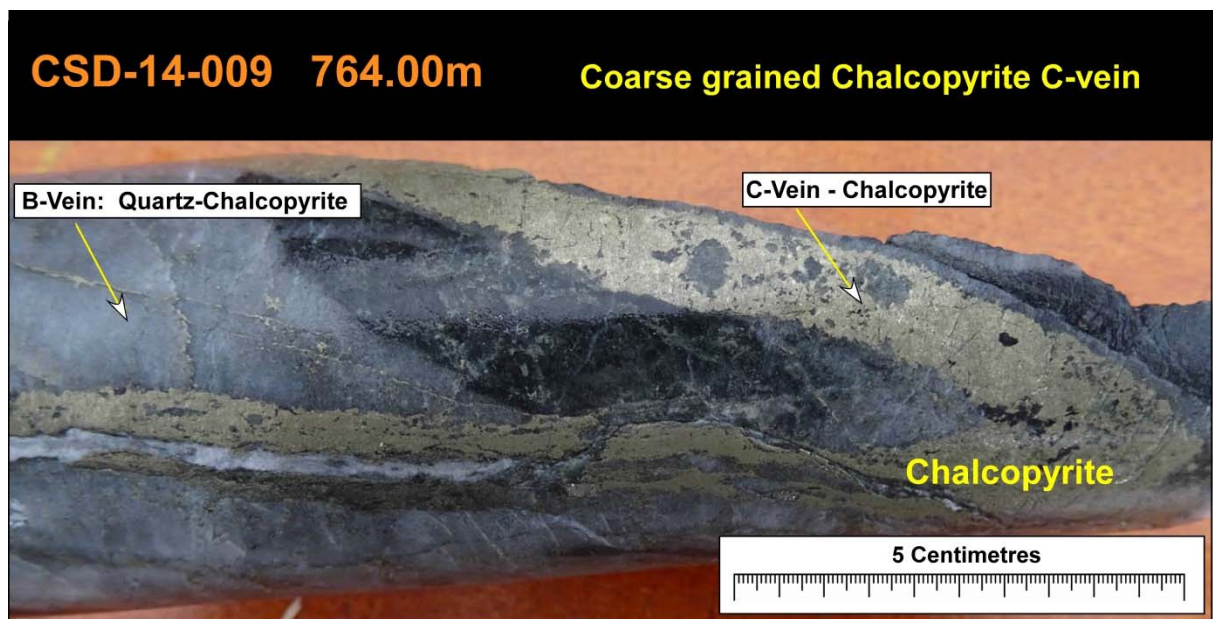


Plate 5 – Chalcopyrite C-vein cross-cutting quartz-chalcopyrite B-vein (764.00m depth).

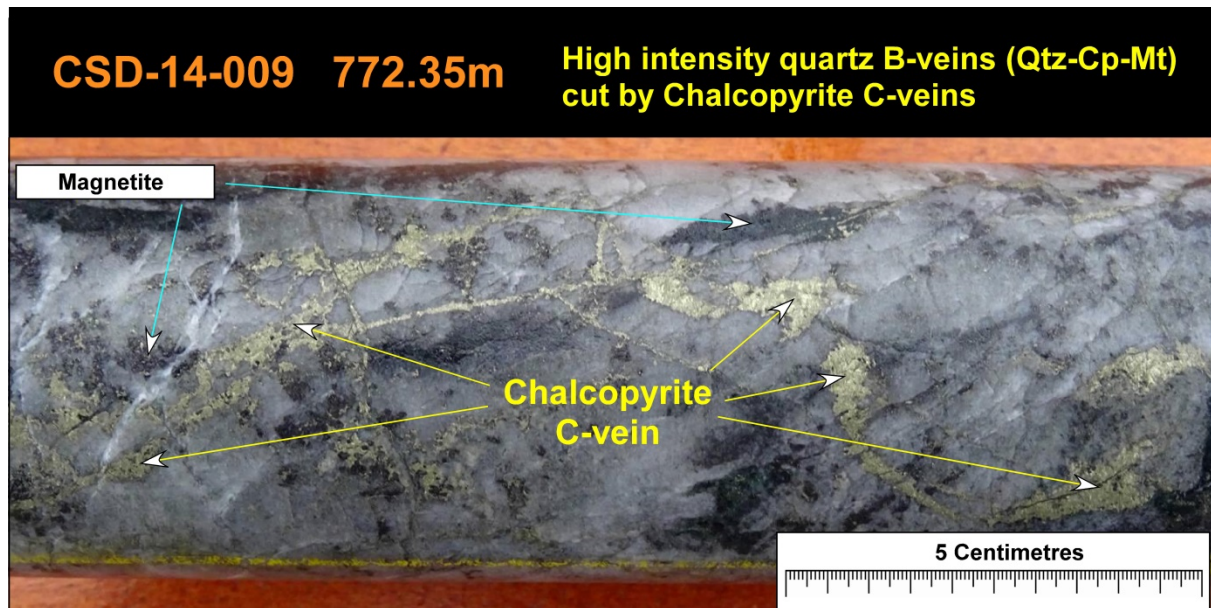


Plate 6 – Quartz-Chalcopyrite-Magnetite B-Veins overprinted by Chalcopyrite C-veins (772.35m depth).

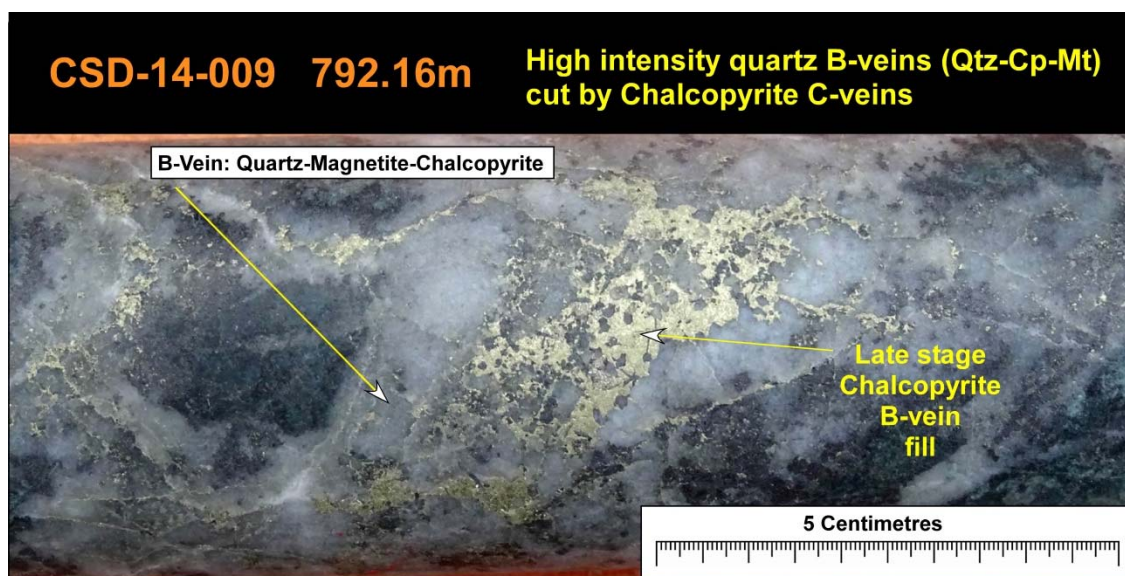


Plate 7 – High intensity Quartz-Chalcopyrite-Magnetite B-Veins with abundant coarse grained chalcopyrite as late stage vein fill (792.16m depth).

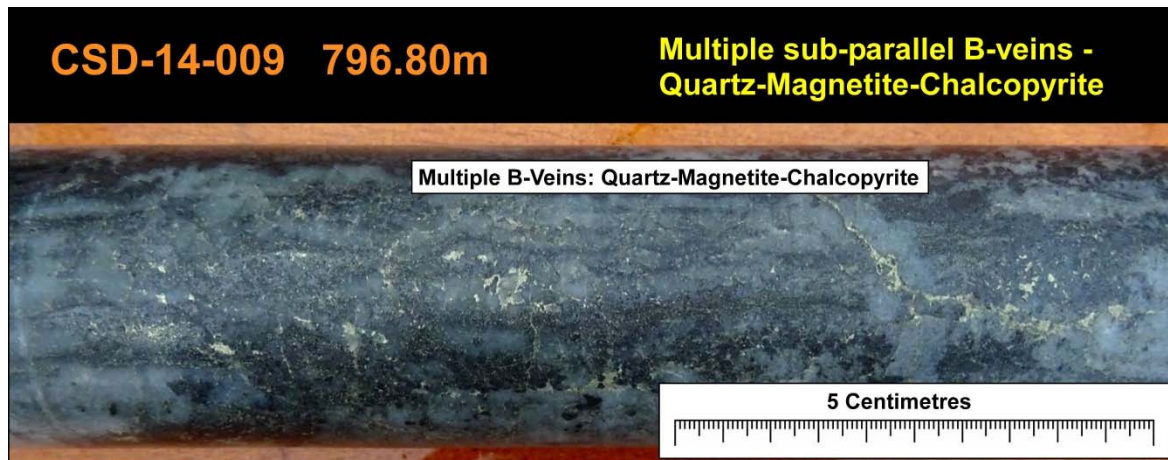


Plate 8 – Multiple sub-parallel Quartz-Magnetite-Chalcopyrite B-Veins (796.80m depth).

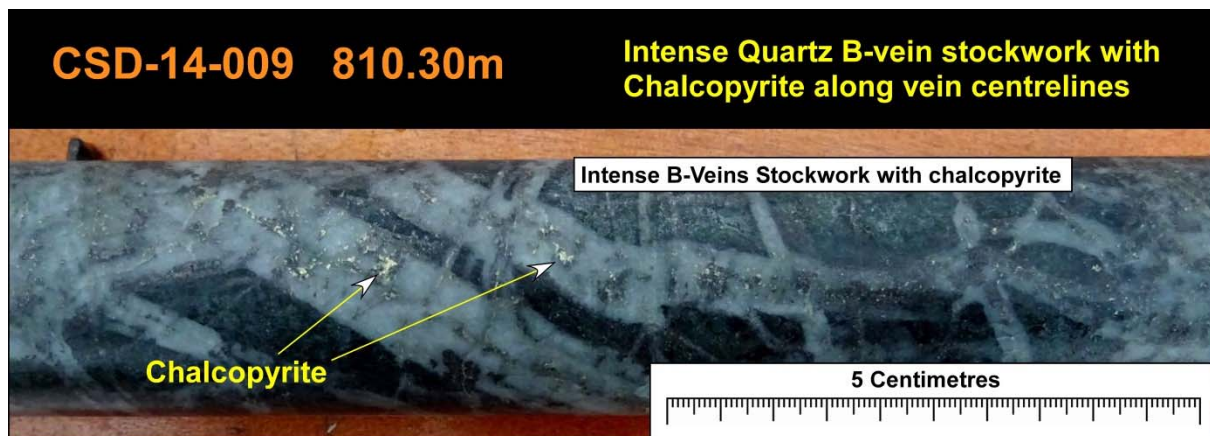


Plate 9 – Intense quartz B-vein stockwork in chlorite-magnetite (potassic) altered diorite (810.30m depth).

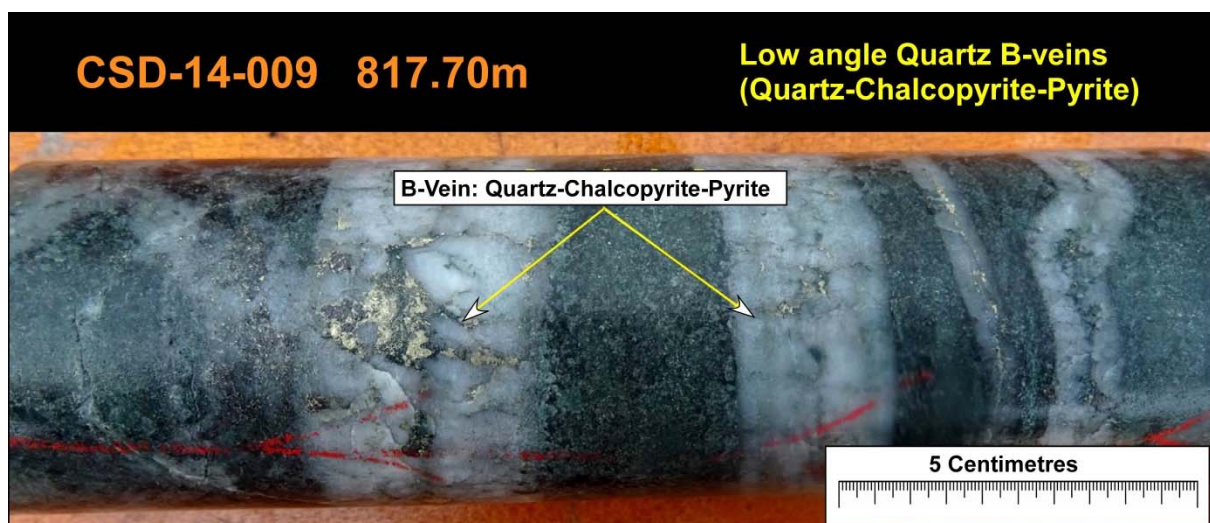


Plate 10 – Low angle quartz B-veins with chalcopyrite in potassic-altered diorite, with weak overprinting intermediate argillic alteration (817.70m depth).

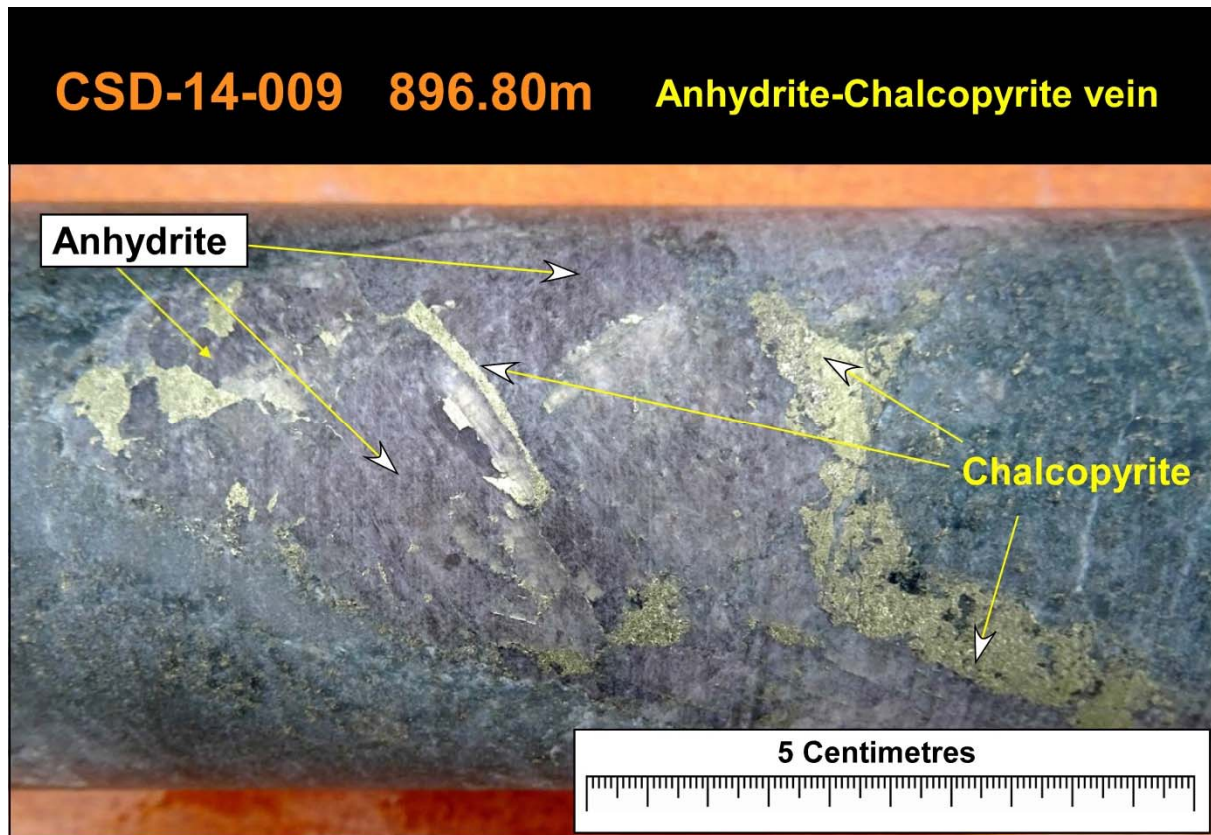


Plate 11 – Anhydrite-chalcopyrite vein in propylitic-altered diorite (896.80m depth).

About Cascabel

SolGold owns 21.1m shares (approximately 11%) in TSX-V-listed Cornerstone Capital Resources (Cornerstone), and 85% of Exploraciones Novomining S.A. (“ENSA”). ENSA is an Ecuadorean registered company, which holds 100% of the Cascabel concession in northern Ecuador. Cornerstone holds the remaining 15% of ENSA.

The Cascabel project is located in northwestern Ecuador in an under-explored northern section of the richly endowed Andean Copper Belt. World class deposits located within this belt include the 982 million tonnes at 0.89% Cu Junin copper project located some 60km to the southwest of Cascabel, the 3.3 billion tonnes at 0.36% Cu Cobre Panama deposit located to the north in Panama and the 905 million tonnes at 0.92 g/t Au La Colosa porphyry deposit located to the north in Colombia, containing 26 million ounces of gold. The Alpala Prospect exhibits surface mineralisation and alteration patterns indicative of a porphyry copper gold system and has a similar footprint to large porphyry systems around the world.

Qualified Person:

Information in this report relating to the exploration results is based on data reviewed by Dr Bruce Rohrlach (BSc (Hons), PhD), the GM Exploration of the Company. Dr Rohrlach is a Member of the Australasian Institute of Mining and Metallurgy who has in excess of 26 years’ experience in mineral exploration and is a Qualified Person under the AIM Rules. Dr Rohrlach consents to the inclusion of the information in the form and context in which it appears.



By order of the Board
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NOTES TO EDITORS

SolGold's exploration projects are located in northern Ecuador, Australia, and the Solomon Islands. In Ecuador, they consist of a joint venture with Cornerstone Capital Resources Inc. on the Cascabel copper-gold project. In Australia, SolGold holds 100% of the Rannes, Mt Perry, Cracow West and Normanby Projects, all in southeast Queensland. In the Solomon Islands they comprise the Fauro Project (located on Fauro Island), and the Lower Koloula, Malukuna and Kuma licenses, which are located on Guadalcanal.

The Cascabel copper-gold project is located approximately 180 km by sealed road north of Ecuador's capital, Quito, 20 km south of the Colombian border, and 75 km inland from the coastal city of San Lorenzo. At the Rannes project SolGold has announced indicated and inferred resources of 18.7 million tonnes at 0.9 g/t gold equivalent (gold + silver) for 550,146 ounces of gold equivalent (296,657 ounces of gold and 10,137,736 ounces of silver; see announcement dated 23 May 2012 for details of the resource statement and gold equivalent ratios). The Rannes project is currently under review.



In the Solomon Islands, a soil geochemical survey and 3D modelling of magnetic data has been approved at Kuma.

SolGold's objective is to create substantial shareholder value by discovering and defining world-class copper-gold deposits.

SolGold's Board includes accomplished professionals with strong track records in the areas of exploration, mine development, investment, finance and law. Board and Management have significantly vested interests in the Company, holding approximately 14% of its issued share capital.

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 652,153,202 fully paid ordinary shares, 12,820,000 options exercisable at 50p, 12,730,000 options exercisable at 28p and 9,730,000 options exercisable at 14p.

CAUTIONARY NOTICE

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