13 June 2013

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

Cascabel Project Update

Channel sampling further expands zone of copper - gold mineralisation at Alpala Prospect.
Final stages of preparation for Stage 1 drilling. Receipt of Drill Permits Imminent.

HIGHLIGHTS

- **Receipt of additional surface channel sample assay results at Alpala Prospect has extended the area of outcropping copper gold mineralisation to >400 metres x >200 metres;**
- **Copper grades increase deeper within the Alpala porphyry system;**
- **Submission of final report for the Environmental Permit or "EIA" (Estudio de Impacto Ambiental) to the Ministry of Environment;**
- **Finalisation of drill hole locations at Alpala Prospect for Stage 1 drilling;**
- **Upgrading of access tracks and infrastructure for drill rig mobilisation and drill program near completion;**
- **Four other target areas within the Cascabel concession remain to be investigated for future drill testing.**

Recent Follow-up Channel Sampling Results at the Alpala Prospect

The surface extent of copper and gold mineralisation at the Alpala Prospect continues to grow. The area of associated intense clay-silica-pyrite (acid alteration) also referred to as a "lithocap" occurs over approximately two square kilometres and overlies the copper-gold porphyry targeted by SolGold.

On 25th March and 1st May, the Company announced results of follow-up channel sampling at its Alpala porphyry copper-gold prospect within the Cascabel concession in Ecuador. Highly encouraging copper and gold assay values were reported from surface sampling which significantly expanded the copper-gold quartz-sulphide stockwork zone at Alpala. This zone occurs within an erosional window that at the time exposed mineralised copper-gold porphyry over an area of approximately 220 metres by 120 metres. In May, the Company also announced that 3D magnetic modelling had identified a magnetic apophysis (a geological term for a tapering offshoot from, and at the apex of, a larger and deeper igneous intrusion) located centrally below the lithocap at Alpala. The presence of this feature supports the interpretation that copper and gold rich solutions sourced from a deep regional intrusion have focussed around it. This magnetic apex covers an area of at least 1000 metres by 500 metres under the clay-silica-pyrite lithocap and occurs below and adjacent to the outcropping copper-gold stockwork zone at Alpala. Geochemical channel sampling and geological mapping confirms mineral zonation typical of a classic copper-gold rich porphyry system.

Additional follow-up channel sampling was conducted during April, within the area of mineralisation at central Alpala and also at higher elevation in the lithocap to the northeast, south and west of Alpala. This most recent phase of follow-up sampling has expanded the area of copper and gold mineralisation at surface to an area of up to 430 metres by 200 metres (Figure 1).

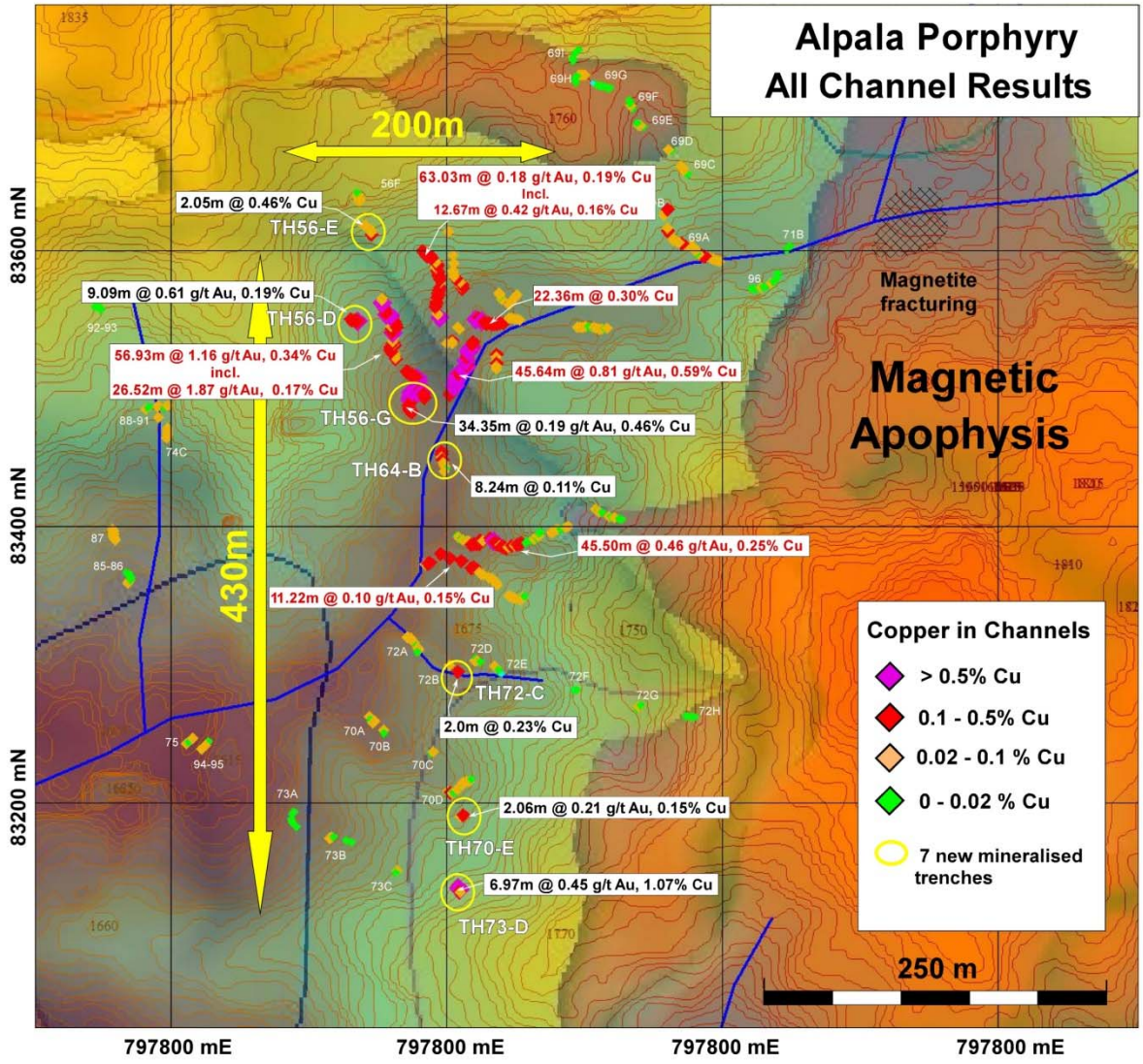

Figure 1 – Copper grades in all surface channel samples at central Alpala and topographic contours superimposed on a 3D magnetic model that shows a magnetic apophysis below and east of Alpala. Mineralized surface samples cover an area extending 430m north-south by up to 200m east-west. The seven (7) new channels with significant copper and/or gold results are shown with black text whilst previously reported channel intersections are shown in red text.

A total of 237 channel samples were collected from 45 new channels. Seven (7) of the new areas sampled yielded significant copper and/or gold grades as listed in Table 1 below. The best results were 34.35m grading 0.46% copper, 0.19 g/t gold and 6.97m grading 1.07% copper, 0.45 g/t gold (Table 1).

Channel/Trench No.		Length (m)	Au (g/t)	Cu (%)
TH56-E		10.37	0.01	**0.14**
	Incls.	2.05	0.01	**0.46**
TH56-D		**9.09**	**0.61**	**0.19**
TH56-G		**34.35**	**0.19**	**0.46**
TH64-B		17.74	0.02	0.07
	Incls.	**8.24**	0.01	**0.11**
TH72-C		**2**	0.04	**0.23**
TH73-D		**6.97**	**0.45**	**1.07**
	Incls.	**5.47**	**0.56**	**1.34**
TH70-E		2.06	**0.21**	**0.15**

Table 1 – Recent significant channel sample results from Alpala. Locations are shown in Figure 1.

The remaining channel samples with weakly anomalous copper and gold grades came from higher levels in the overlying lithocap, or from peripheral areas, where grades are expected to be lower.

In the broader Alpala region, average copper grades in surface samples generally increase with decreasing elevation as illustrated in Figure 2, consistent with SolGold's model pursuant to which copper and gold grades will increase at depth below the level of surface channel sampling.

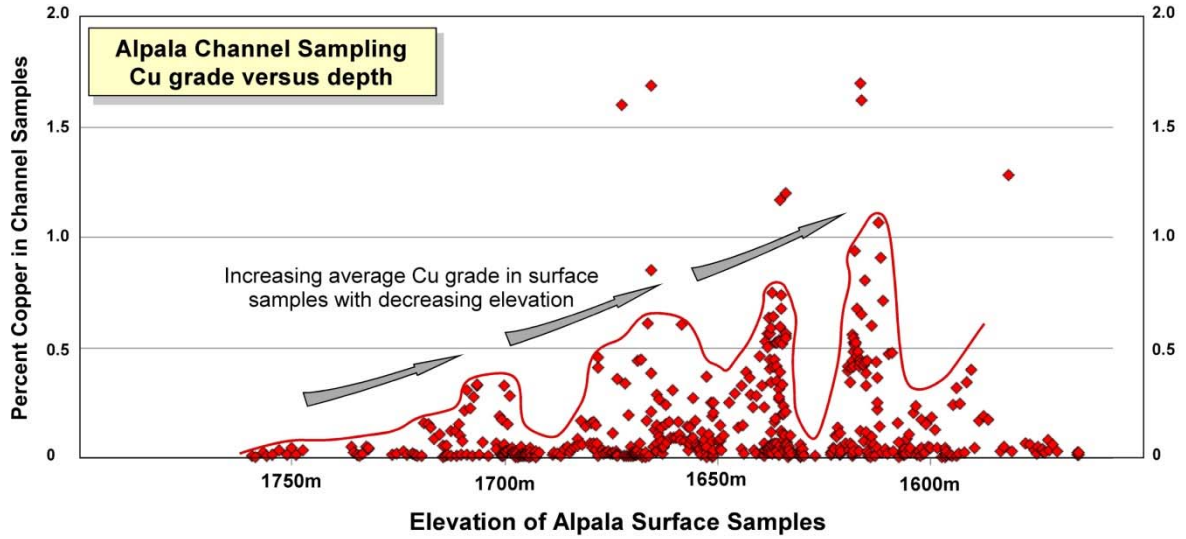

Figure 2 – Copper grades vs elevation. Higher copper grades are present at lower elevations (deeper in the system) in the area of channel sampling at the Alpala Prospect.

Submission of Final Environmental Report to the Ministry of Environment

The final version of the Environmental Report (Estudio de Impacto Ambiental or "EIA") was submitted to the Ministry of Environment ("ME") on 31 May. The approval of the EIA by the Ministry of Environment will progress the Cascabel concession from Early Stage to Advanced Stage Exploration thereby enabling drilling to occur. The final submission of the EIA addressed questions arising from the first draft Environmental Report. Cornerstone utilises the services of Cardno Latino America ("Cardno"), specialists in all aspects of environmental and social management. Cornerstone and Cardno are confident that all outstanding issues raised by the ME have been addressed in the final EIA Report and believe receipt of approvals for this Environmental Permit by the ME is imminent.

Finalisation of Stage 1 Drill Hole Locations at Alpala Prospect

A Stage 1 drill program at the Alpala Prospect has been prepared and approved by SolGold and Cornerstone. The program comprises five diamond drill holes totalling 2500 drill metres. Three holes are sited at central Alpala to test the area of mineralised porphyry containing quartz stockwork veining that has been identified by surface channel sampling (Figure 3). The fourth and fifth holes have been sited to test the western margin of the 1000 metre long by 500 metre wide magnetic apophysis, which underlies the southeast lithocap at Alpala (Figure 3). The Stage 1 drill program will test a zone 500 metres by 400 metres in area.

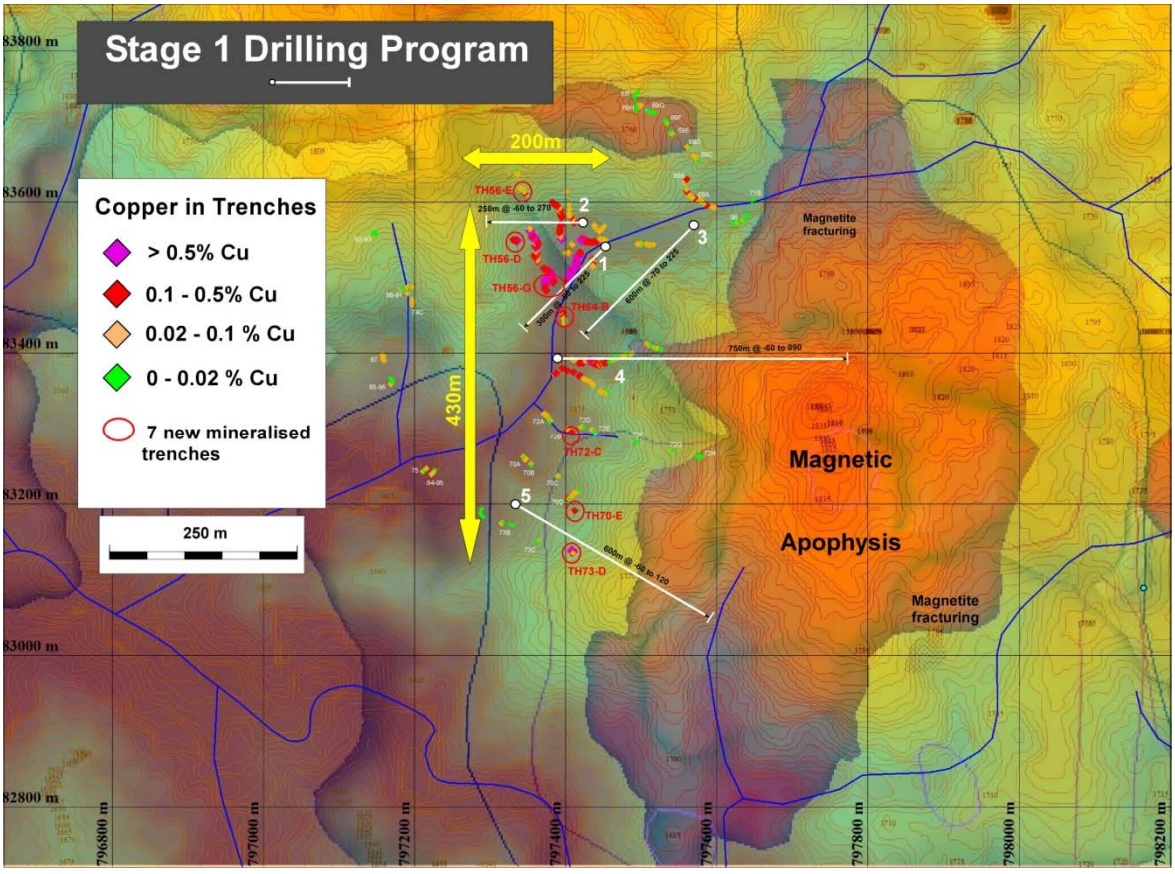

Figure 3 – Five Proposed Drill Hole Locations for the Stage 1 Drill Program.

Upgrading Access Tracks for Drill Rig Mobilisation Near Completion

In anticipation of receipt of the EIA, access tracks to Alpala have been upgraded to allow mobilisation of the drill rig and associated drilling equipment. Establishment of drill core logging facilities, field office and other logistic considerations are currently being finalised in advance of the issuance of the EIA to carry out advanced exploration.

Four Other Target Areas at Cascabel

Apart from the highly prospective Alpala Prospect, there are currently four other target areas within the Cascabel tenement including: Quebrada Tandayama-America, Aguinaga and Quebrada Moran, which are prospective for copper-gold porphyry deposits, and Rio Cachaco which is prospective for epithermal gold style mineralisation (Figure 4). These targets will be investigated further over the next 6 to 12 months.

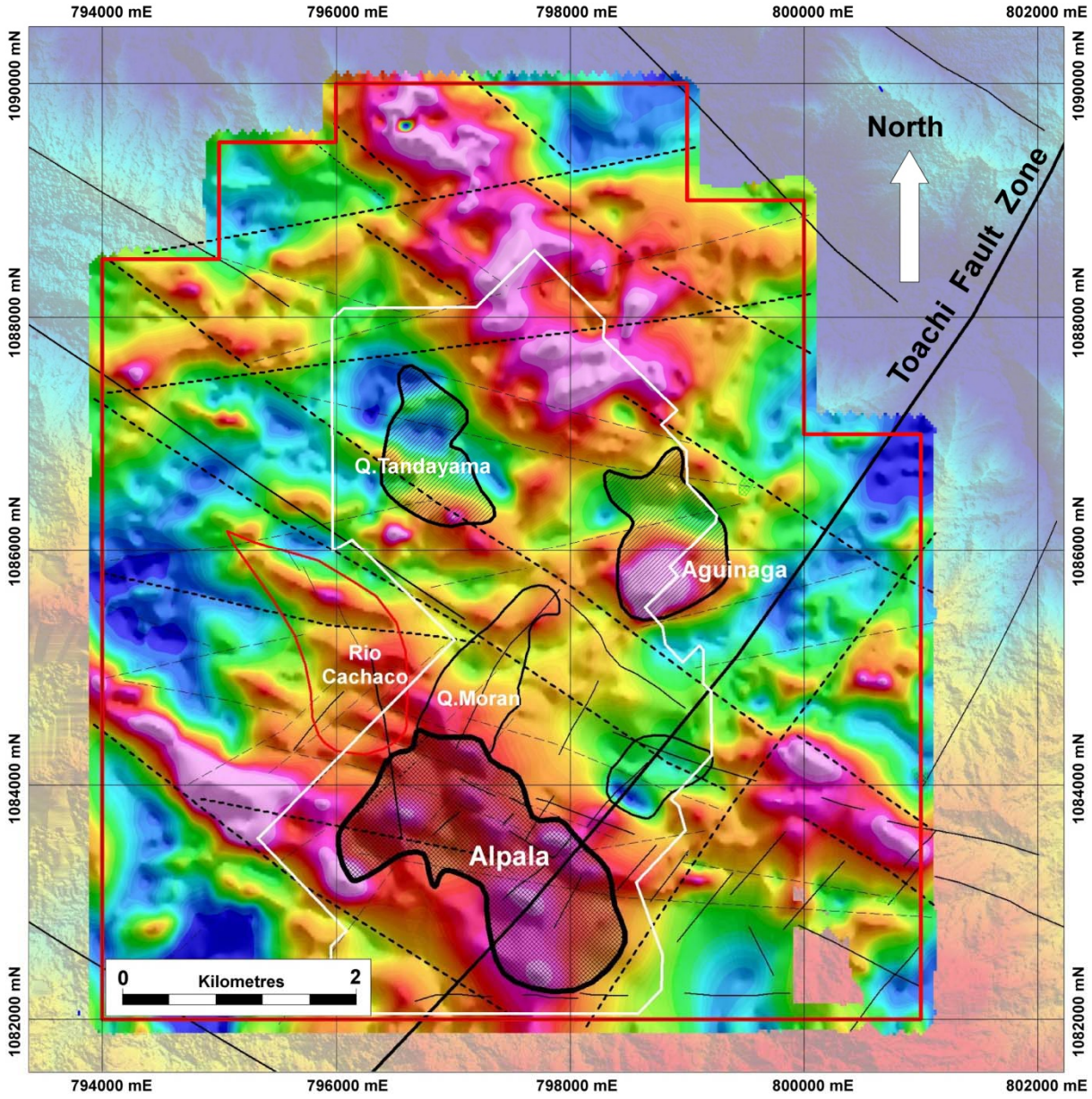

Figure 4: Copper-gold Porphyry Targets Within the Cascabel Concession. Copper gold porphyry targets include: Alpala, Quebrada Moran, Quebrada Tandayama-America and Aguinaga. Epithermal gold targets include Rio Cachaco.

Share Allotment and Investor Presentation

SolGold announced on Tuesday 11 June 2013 that it had successfully raised the balance AUD400,000 via the issue of 8,200,000 shares at 3 pence per share from private investors, which represents the second part to the AUD2.6million raising announced in April 2013, bringing the total raising to AUD3million originally targeted by the Company. SolGold will tomorrow allot the 8,200,000 fully-paid ordinary shares, with AIM admission for these shares expected on Monday 17 June 2013. Once completed, this will bring the Company's shares on issue to 552,244,342.

A copy of the Company's latest investor presentation can be found on the Company's website.

Corporate Webcast Presentation

Executive Director, Nicholas Mather, recently presented the Company's corporate presentation via webcast. A copy of this audio is available at: http://www.brrmedia.co.uk/event/111421/nicholas-mather-executive-director

By order of the Board
Karl Schlobohm
Company Secretary

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NOTES TO EDITORS

SolGold's exploration projects are located in northern Ecuador, Australia, and the Solomon Islands. In Ecuador, they comprise a JV with Cornerstone Capital Resources 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 and in the Solomon Islands they comprise the Fauro Project (located on Fauro Island), the Florida/Ngella, and the Kuma license on Guadalcanal.

In July 2012, SolGold and Cornerstone Capital Resources Inc. announced that they had signed a Definitive Option Agreement whereby SolGold may acquire up to 85% of Cornerstone's 100% owned 5,000 hectare Cascabel gold-copper-silver property in northern Ecuador.

The Cascabel project is located approximately 120 km north of Ecuador's capital, Quito, 20 km south of the Colombian border, and 75 km inland from the coastal city of San Lorenzo. The copper-gold porphyry project is located within the Andean western cordillera, host to numerous Tier 1 world class copper-gold deposits through Chile, Peru, Ecuador and Colombia.

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).

In the Solomon Islands, a JV partner is being sought for the Fauro project to pursue drilling of gold-copper targets defined in the 2011 exploration program. The Guadalcanal Joint Venture (GJV) with NVL Solomon Islands Limited (a subsidiary of NYSE-listed Newmont Mining Corporation) is in the process of being terminated following finalisation of divestment agreements.

SolGold's strategy is to be an integrated gold and copper discoverer, developer and miner.

SolGold's Board includes accomplished professionals with strong track records in the areas of exploration, mine development, investment, finance and law. Board and Management have significantly vested interests in the Company, holding approximately 15.1% of its issued share capital.

SolGold is based in Brisbane, Queensland, Australia. The Company listed on London's Alternative Investment Market in 2006, under the AIM Code 'SOLG' and currently has a total of 544,044,342 fully-paid ordinary shares, 10,700 Convertible Redeemable Preference Shares, 9,472,000 options exercisable at 50p, 1,250,000 options exercisable at 28p and 1,250,000 options exercisable at 14p on issue. Further details concerning the Company's key projects and personnel can be found at www.solgold.com.au.