



24 March, 2014

**SolGold Completes Equity Financing
Cascabel Project Update
Hole 6 Progresses towards Target, Visual Copper Sulphides
Contract Signed for IP Survey**

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

Highlights:

- **Successful Equity Financing Raises GBP4m in Oversubscribed Placement.**
- **Hole 6 progressing well and advances on its target.**
- **Contract signed with Quantec Geoscience for a Deep-Earth Imaging Orion 3D IP survey at Cascabel.**
- **Assays for final 40 metres of Hole 5 received.**

SolGold CEO and Managing Director, Mr Alan Martin said:

"The strong demand for the capital raising is pleasing for the Cascabel project. It was pleasing to see the introduction to the share register of institutional funds in the equity financing. Hole 6 marks the start of the Stage 2 drill program and we are very happy with the alteration and copper sulphide mineralisation which is visible in the hole so far, given our target depth for the high grade "potassic" zone is around 630 metres. The IP survey is very exciting as it should be able to detect sulphide minerals to depths of at least 800 metres and resistivity effects to around 2 km depth. The IP survey is being carried out over a large area, some 10.8 km² and will both cover and extend beyond the area of the Alpala Magnetic Complex.

Equity Financing

The Company is pleased to announce that it has closed a successful equity financing with a range of investors amounting to the issue of 45,103,334 shares at a price of 9 pence. This equity financing was carried out by the Company's UK broker SP Angel, and was oversubscribed. The placement was carried out to existing shareholders, but very pleasingly saw the introduction of institutional funds to the share register. The shares are expected to be admitted to trading on Monday 31 March 2014.

Drill Hole CSD-14-006

The Stage 2 drill program at Alpala commenced on the 3rd March with the drilling of hole CSD-14-006 (Hole 6). As of the 23rd March, Hole 6 was at a depth of 547 metres and progressing towards a magnetic target that is modelled at around 630 metres depth (Figure 1).

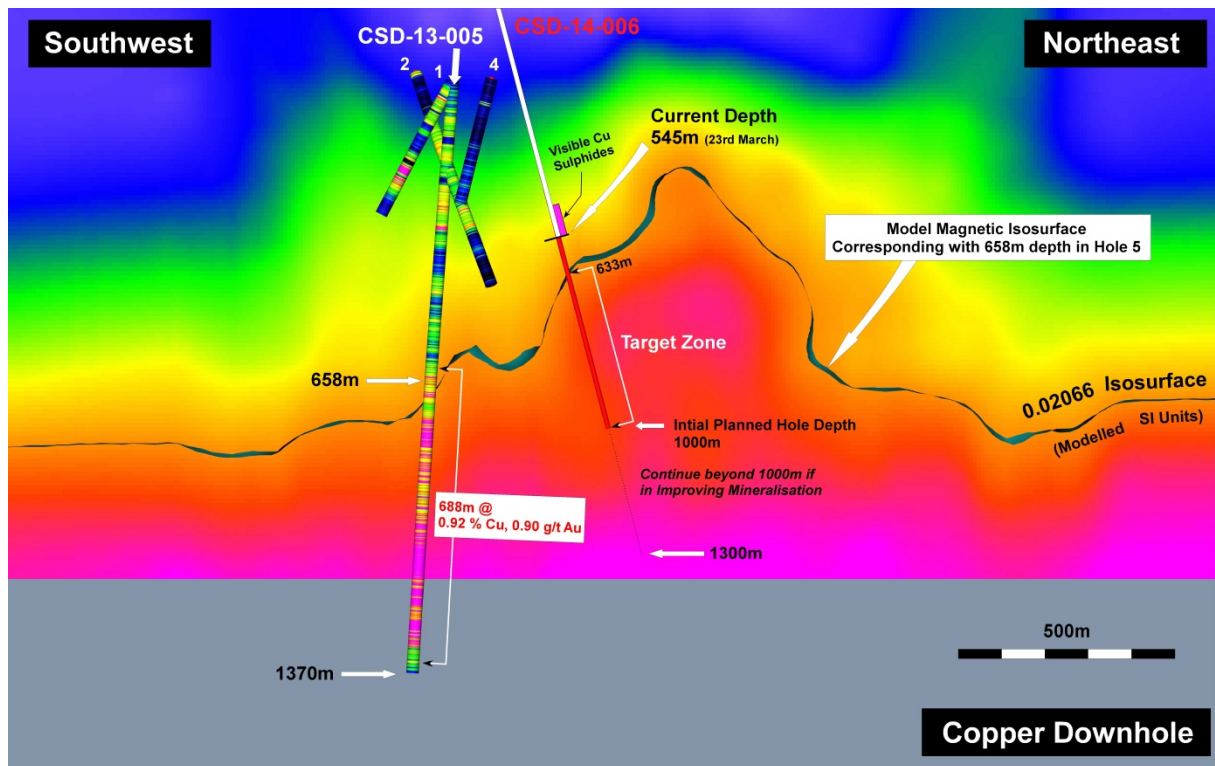


Figure 1 – Progress of Hole 6 at the Alpala Prospect.

Hole 5 encountered particularly high grade porphyry copper-gold mineralisation from a depth of 658m down hole, coinciding with a modelled magnetic susceptibility shell with a magnetic intensity of 0.02066 SI units. This same 3D magnetic iso-surface is plotted on a cross-section passing through Hole 6, located about 320m north of Hole 5 (Figure 1). The geophysical model predicts rocks at around 630m depth in Hole 6 to have a magnetic signature equivalent to those encountered in Hole 5 where they are potassic-altered and associated with high-grade copper and gold mineralisation.

Hole 6 is presently encountering visible and increasing chalcopyrite mineralisation in the interval from 471m to 547m, the current depth of the hole (see Plate 1).

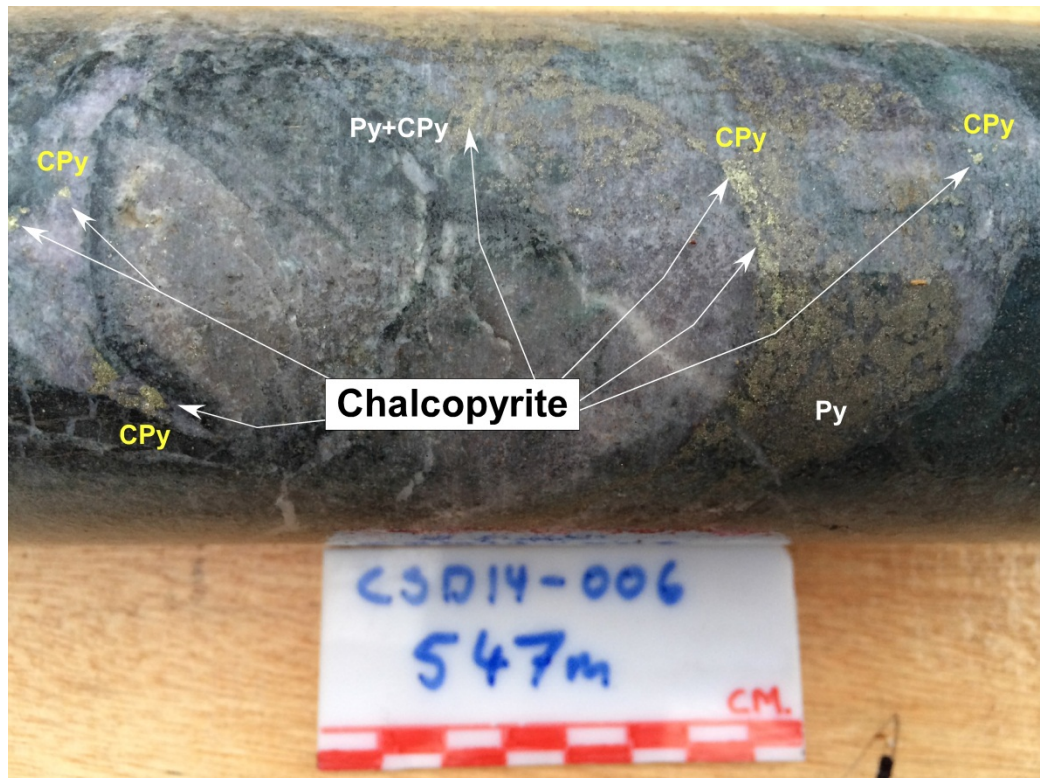


Plate 1 – Drill core at 547m depth in Hole 6. Hydrothermal breccia cross-cut by pink rhodochrosite veins, coarse chalcopyrite (Cpy) and pyrite (Py), and anhydrite veining.

IP Contract

ENSA, the Ecuadorian registered company which holds the Cascabel tenement and in which SolGold has earned 85% equity, has signed a contract with an international geophysical company Quantec Geoscience, to conduct a distributed array 3DIP-MT (3D Induced Polarisation and Magneto-Telluric) survey using their highly acclaimed deep-earth imaging Orion electrical geophysical system.

Whilst conventional IP systems typically see to depths of around 400m at best, the Orion system can read IP effects to potential depths of 800m and beyond, and can read resistivity data to potential depths of 2 kilometres and beyond using magneto-telluric measurements.

The Orion system is a very sophisticated survey technique and will be used to map sulphide distribution across the entire recognised extent of the lithocap and underlying porphyry system at Alpala.

The use of the Orion system will provide a quantum leap in data density over conventional IP systems that are the industry norm.

Quantec are in the final stages of organising shipment of the survey equipment from Canada whilst SolGold (ENSA) completes the pre-survey gridding that is required prior to commencement of the survey.

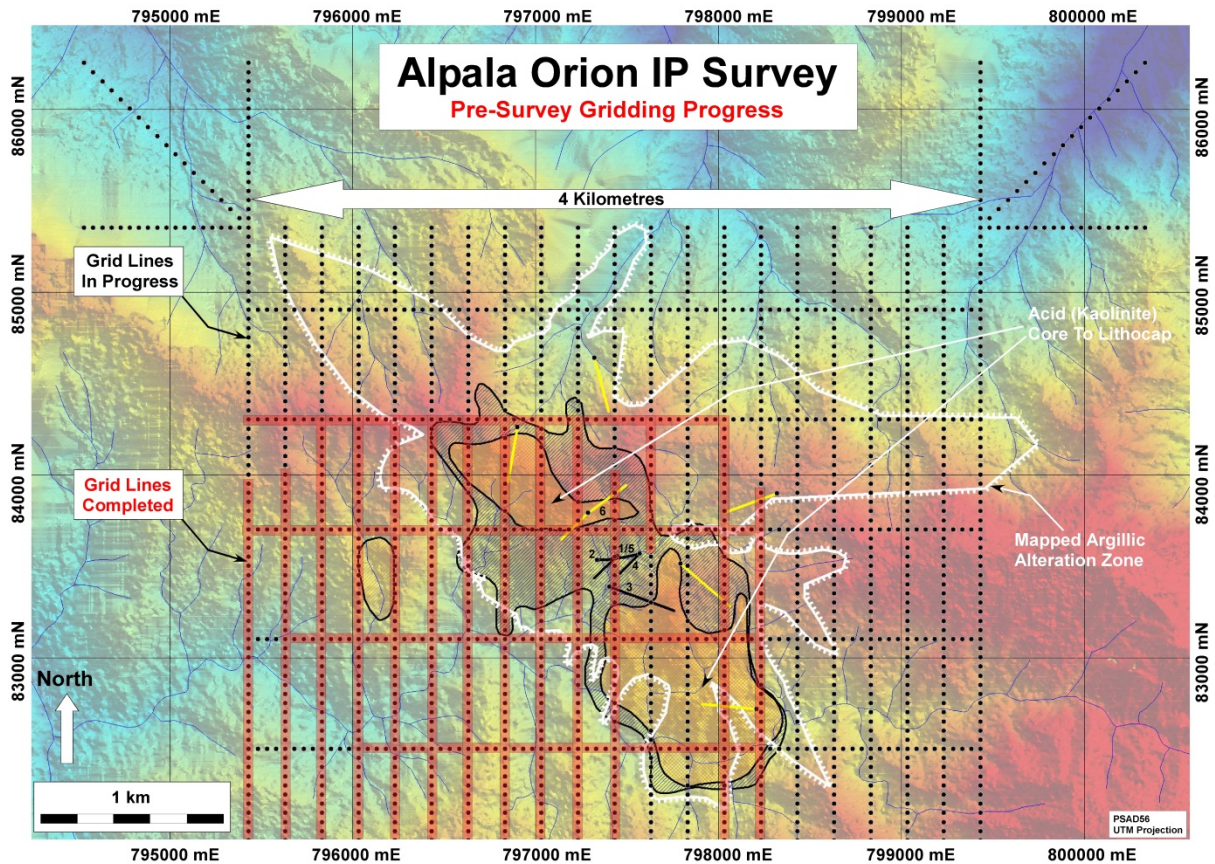


Figure 2 – Progress of grid establishment at the Alpa Prospect. Gridding will be completed prior to arrival of the deep-earth imaging Orion 3D IP system.

Drill Hole CSD-13-005

Final assays have been received for the interval 1330 metres to 1370 metres (final depth of Hole 5). Logging results from Hole 5 drill core suggest that the hole has drilled out through the southwest margin of the potassic zone and into propylitic altered rocks on the margin of the porphyry system at around 1318m depth. Copper grades however do extend beyond this contact, with elevated copper over 0.1% extending to the end of hole at 1370m depth.

The result of the drill hole intersecting marginal propylitic alteration in the lowermost 52m further re-enforces our model that the Alpa porphyry system is associated with the magnetic rocks of the Alpa Magnetic Complex which lie in the sectors north, northeast, east and southeast of Hole 5.

Table 1 lists the final and complete set of copper and gold intersections for hole CSD-13-005.

The bulked intersection is 1346m grading 0.61% Cu and 0.53 g/t Au (from 24m depth).

The most significant high-grade intersections include:

688m grading 0.92% Cu and 0.90 g/t Au (from 658m depth)

568m grading 1.01% Cu and 1.02 g/t Au (from 778m depth)



Hole ID	Depth From	Depth To	Interval (m)	Cu (%)	Au (g/t)	Comments
CSD-13-005	24	1370	1346m	0.61	0.53	
Incls	24	420	396m	0.32	0.17	
Incls	436	658	222m	0.26	0.11	
Incls	658	1346	688m	0.92	0.90	
Incls	778	1346	568m	1.01	1.02	
Incls	1330	1370	40m	0.25	0.13	Extension Assays
Incls	1052	1310	258m	1.27	1.40	High Grade
Incls	1096	1146	50m	1.80	2.26	High Grade

Table 1 – Intersections from hole CSD-13-005 at the Alpala Prospect.

About Cascabel

SolGold has exercised its right to increase its ownership of Exploraciones Novomining S.A. (“ENSA”) from 50% to 85%. ENSA is an Ecuadorean registered company, which holds 100% of the Cascabel concession in northern Ecuador. Cornerstone hold the remaining 15% of ENSA.

The Cascabel project is located in north-western 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 60 km to the southwest of Cascabel, the 3.3 billion tonne 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
Karl Schlobohm
Company Secretary



Contacts:

Mr Alan Martin

SolGold Plc (CEO and Managing Director)
amartin@solgold.com.au

Tel: +61(0)488 223 828

Mr Nicholas Mather

SolGold Plc (Executive Director)
nmather@solgold.com.au

Tel: +61 (0)7 3303 0665

Mr Karl Schlobohm

SolGold Plc (Company Secretary)
kschlobohm@solgold.com.au

Tel: +61 (0)7 3303 0661

Mr Ewan Leggat / Ms Katy Birkin

SP Angel Corporate Finance LLP (Broker)
Ewan.leggat@spangel.co.uk

Tel: +44 (0)20 3463 2260

Mr Stephen Weir

RFC Ambrian Limited (Nominated Advisor)
stephen.weir@rfcambrian.com

Tel: +61 (0)2 9250 0048

Mr Dominic Barretto / Ms Anna Legge

Yellow Jersey PR Limited (Financial PR)
dominic@yellowjerseypr.com

Tel: +44 (0)20 3664 4087

NOTES TO EDITORS

SolGold's exploration projects are located in northern Ecuador, Australia, and the Solomon Islands. In Ecuador, they consist of a JV 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 is being considered at Kuma, while a JV partner is being sought for the Fauro project to pursue drilling of gold-copper targets defined in the 2011 exploration program.

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 Alternative Investment Market (AIM) in 2006, under the AIM code 'SOLG' and currently has a total of 649,487,203 fully-paid ordinary shares, 19,256,000 options exercisable at 50p, 11,550,000 options exercisable at 28p, 7,550,000 options exercisable at 14p, and 3,000,000 options exercisable at 6p on issue.