SolGold PLC Announces Deal reached in Ecuador

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Deal reached between Ecuador Government and Indigenous Groups

BISHOPSGATE, October 15, 2019 - Further to the announcement on 10 October 2019, the Board of SolGold would like to update shareholders on the news that an agreement has been reached between the Government and indigenous groups for an immediate end to the recent protests in Ecuador following talks brokered by the UN and the Catholic Church.

In return for an end to the protests, the Government has agreed to immediately restore the fuel subsidies that had originally been removed as part of the economic package imposed on 1 October 2019. The agreement to repeal the subsidy cuts has come with a commitment for the Government and indigenous groups to create a commission to develop new measures to cut government costs, stop abuse of fuel subsidies and reduce the country's budget deficit. SolGolds projects will contribute strongly to sustainable economic growth employment and the robust support of all Ecuadoreans for decades to come.

SolGold's operations remain unaffected by the protests. The Company is on track to deliver a third Mineral Resource Estimate of the Alpala Deposit in Q4 2019 and Pre-Feasibility Study in Q1 2020.

The Cascabel project is a key project in Ecuador's developing mining industry and a critical driver for the future of Ecuador's economy in the view of the Government of Ecuador. SolGold anticipates this significant economic contribution to be replicated on its 12 other projects across the country. SolGold continues to receive full and objective support from the Ecuadorean Government.

SolGold is committed to building an integrated explorer, project appraiser and miner in the copper and gold industry in Ecuador, and enjoys the support of its major shareholders, including Australia's largest gold miner Newcrest and the world's largest miner BHP. SolGold is committed to the country's economic development, provides growing and wide employment opportunities and conducts responsible mineral exploration programs in line with local and international laws and standards and worlds best practices

SolGold currently employs approximately 700 people, of which 98% are Ecuadorean. This number will increase significantly as Alpala moves in to construction, and as the regional projects develop. The Cascabel project is located away from any protected areas and away from any indigenous ancestral areas. The project is strongly supported by regional and local communities and the future of Cascabel was recently strongly endorsed by these local communities and Government in public hearings at the Constitutional Court at which the legitimacy of the mining industry in Ecuador was firmly upheld.

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