# SolGold PLC Announces Board and Corporate Governance Update

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BISHOPSGATE, August 5, 2020 - The Board of SolGold plc (LSE:SOLG)(TSX:SOLG) is pleased to provide an update on its ongoing Corporate Governance initiatives relating to the Company's Board and Management structure, function and remuneration to ensure the Company takes the most appropriate way forward on its transition from explorer to developer over the coming 18 months.

As part of the Company's ongoing engagement with its investors and the continuing commitment to adopt best practice Corporate Governance standards, SolGold has developed new governance policies, processes and guidelines. These initiatives are the culmination of an ongoing strategy commenced at the beginning of the year and include the appointment of Ms Nadine Dennison as the Company's Chief Human Resources Officer in February 2020, following her previous Senior HR role with BHP. The main focus of these work streams are as follows:

a) Board composition; independence, tenure and diversity;

b) Board and Executive performance and remuneration; and

c) Board succession planning and evaluation.

The first tangible outcomes of this process include the appointment of Ms Elodie Grant Goodey as an independent Non-Executive Director on 17 July 2020 and the establishment of a Nominations Committee and improvements to the Remuneration Committee.

Other corporate plans and policies are currently in various stages of implementation.

To accelerate the development of SolGold's Corporate Governance framework, and increase the Company's strategic shareholder engagement, the Company has appointed CMi2i and Boudicca, two leading London proxy solicitation firms, ahead of SolGold's 2020 AGM. Their mandate comprises capital market intelligence, Investor Relations, Corporate Governance and policy advice, together with strategic shareholder engagement. The Company has also appointed the law firm White & Case LLP in London, who will advise the Company on its Corporate Governance and shareholder matters as and when required.

Board Composition

As part of the Company's commitment to being represented by an appropriate balance of experience, independence and diversity, the Board of Directors has resolved to strengthen the Board so that at least half of the Board is comprised of independent Non-Executive Directors by the end of this calendar year.

Furthermore, long-standing Non-Executive Director, Dr Robert Weinberg has indicated his intention to retire at the Company's 2020 Annual General Meeting.

Commenting on Mr Weinberg's retirement, CEO Nicholas Mather said:

"Mr Weinberg's service to SolGold has likewise been exemplary. We will be sorry to see him leave and wish him well for the future."

The Company's Chairperson, Mr Brian Moller, has stepped down as Chairperson and Mr Liam Twigger, an independent Non-Executive director appointed on 17 June 2019, will step into the role and has been appointed as Chairperson of SolGold with immediate effect. Mr Moller will remain as a Non-Executive Director. The Board of SolGold thanks Mr Moller for his services as Chairperson through SolGold's formative years, helping the Company to create the strong platform on which SolGold stands today.

Mr Twigger is an experienced corporate advisory consultant and principal of PCF Capital in Perth, Western Australia, and was a founding partner for the establishment of Macquarie Bank in Perth. There is no fee arrangement with PCF Capital and it does not provide services to SolGold. Mr Twigger was instrumental in advising Gold Road Resources with respect to financing the development of the AUD$600 million, 6Moz Gruyere Gold Project in Western Australia. He also acted as a corporate advisor to Doray Minerals Limited in relation to its AUD$650 million merger with Silver Lake Resources (current market cap AUD$2.1 billion).

On his appointment, Mr Twigger said:

"I am grateful for the opportunity to Chair SolGold into its next phase of growth. The Company has unrivalled potential, not only through our operational control and 85% ownership of the Alpala project and its world class resource of 22Moz of gold, 10Mt of copper and 92Moz of silver, but also through our exposure to numerous highly prospective exploration targets across the Andean Copper Belt.

The strong fundamentals of the Alpala Project present a great variety of financing options, with all of them considerably endorsed by improved price and value outcomes for all shareholders, which is significantly higher than the current market capitalisation.

"Through the sterling work of our world class management and exploration teams over the last several years, SolGold is ideally placed to deliver on its ambitions and to continue delivering value to our shareholders financiers and the people and government of Ecuador. With a growing development team and now up to US$190 million in funding that offers the Company a clear path through to feasibility and a development decision, it is a hugely exciting time to be involved in this stage of SolGold's growth.

"I thank the Board for its faith in me and Brian Moller for his Chairmanship since 2013."

Both Mr Moller and SolGold CEO Mr Nicholas Mather have also indicated their intention to step down from a number of other listed company Boards on which they currently sit.

In order to canvass a wide range of suitable candidates to fill new Non-Executive Director positions, SolGold has commenced an independently run process which will be overseen by Mr Liam Twigger, SolGold's recently appointed Chairperson and an independent Non-Executive Director, and member of the Remuneration Committee and newly formed Nominations Committee. The Company's objective is to secure up to three new Non-Executive Directors that are based in close proximity to the Company's stakeholder base in London, Toronto and Ecuador, enhance its mining development experience, promote liaison with the Ecuadorean Government and further improve diversity at Board level.

As a growth-focussed Company with a standard listing on the London Stock Exchange, SolGold currently reports to the Quoted Companies Alliance Corporate Governance Code. However, in appointing the abovementioned proxy advisers, the Board has committed to starting a process of ultimately moving to compliance with the more robust UK Corporate Governance Code. The Board changes outlined above are an initial step in this process.

Furthermore, aligned to market feedback and benchmarked peer organizations, the Remuneration Committee is currently reviewing a Performance and Remuneration Framework to attract top senior talent to the organization, underpin increased Board independence, and more strongly align Executive remuneration to organisational performance outcomes.

By order of the Board

Karl Schlobohm

Company Secretary

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ABOUT SOLGOLD

SolGold is a leading resources company focussed on the discovery, definition and development of world-class copper and gold deposits. In 2018, SolGold's management team was recognised by the "Mines and Money" Forum as an example of excellence in the industry and continues to strive to deliver objectives efficiently and in the interests of shareholders. SolGold is the largest concession holder by land area, and most active explorer in Ecuador and is aggressively exploring the length and breadth of this highly prospective and gold-rich section of the Andean Copper Belt.

The Company operates with transparency and in accordance with international best practices. SolGold is committed to delivering value to its shareholders, while simultaneously providing economic and social benefits to the communities amongst which it operates, fostering a healthy and safe workplace and minimizing the environmental impact.

Dedicated stakeholders

SolGold employs a staff of 626 employees of whom 98% are Ecuadorian. This is expected to grow as the operations expand at Alpala, and in Ecuador generally. SolGold focusses its operations to be safe, reliable and environmentally responsible and maintains close relationships with its local communities. SolGold has engaged an increasingly skilled, refined and experienced team of geoscientists using state of the art geophysical and geochemical modelling applied to an extensive database to enable the delivery of ore grade intersections from nearly every drill hole at Alpala. SolGold has 86 geologists, of whom 30% are female, on the ground in Ecuador exploring for economic copper and gold deposits.

About Cascabel and Alpala

The Alpala deposit is the main target in the Cascabel concession, located on the northern section of the heavily endowed Andean Copper Belt, the entirety of which is renowned as the base for nearly half of the world's copper production. The project area hosts mineralisation of Eocene age, the same age as numerous Tier 1 deposits along the Andean Copper Belt in Chile and Peru to the south. The project base is located at Rocafuerte within the Cascabel concession in northern Ecuador, an approximately three-hour drive on sealed highway north of the capital Quito, close to water, power supply and Pacific ports.

Having fulfilled its earn-in requirements, SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in ENSA (Exploraciones Novomining S.A.) which holds 100% of the Cascabel concession covering approximately 50km$^2$. The minority equity owner in ENSA is required to repay 15% of costs since SolGold's earn in was completed, from 90% of its share of the distribution of earnings or dividends from ENSA or the Cascabel concession. It is also required to contribute to development or be diluted, and if its interest falls below 10%, it shall convert to a 0.5% NSR royalty which SolGold may acquire for US$3.5m.

Advancing Alpala towards development

The resource at the Alpala deposit boasts a high-grade core which is targeted to facilitate early cashflows and an accelerated payback of initial capital. SolGold is currently assessing financing options available to the Company for the development of the Alpala mine following completion of the Definitive Feasibility Study.

Mineral Resource Estimate #3:

·Mineral Resource of 2,663 Mt @ 0.53% CuEq for 9.9 Mt Cu, 21.7 Moz Au and 92.2 Moz Ag in the Measured plus Indicated categories.

·Mineral Resource of 544 Mt @ 0.31% CuEq for 1.3 Mt Cu, 1.9 Moz Au and 10.6 Moz Ag in the Inferred category

SolGold's Regional Exploration Drive

SolGold is using its successful and cost-efficient blueprint established at Alpala, and Cascabel generally, to explore for additional world class copper and gold projects across Ecuador. SolGold is the largest and most active concessionaire in Ecuador.

The Company wholly-owns four other subsidiaries active throughout the country that are now focussed on thirteen high priority gold and copper resource targets, several of which the Company believes have the potential, subject to resource definition and feasibility, to be developed in close succession or even on a more accelerated basis compared to Alpala.

SolGold is listed on the London Stock Exchange and Toronto Stock Exchange (LSE/TSX: SOLG). The Company has on issue a total of 2,072,213,495 fully-paid ordinary shares and 183,662,000 unlisted options exercisable at various prices.

Quality Assurance / Quality Control on Sample Collection, Security and Assaying

SolGold operates according to its rigorous Quality Assurance and Quality Control (QA/QC) protocol, which is consistent with industry best practices.

Primary sample collection involves secure transport from SolGold's concessions in Ecuador, to the ALS certified sample preparation facility in Quito, Ecuador. Samples are then air freighted from Quito to the ALS certified laboratory in Lima, Peru where the assaying of drill core, channel samples, rock chips and soil samples is undertaken. SolGold utilises ALS certified laboratories in Canada and Australia for the analysis of metallurgical samples.

Samples are prepared and analysed using 100g 4-Acid digest ICP with MS finish for 48 elements on a 0.25g aliquot (ME-MS61). Laboratory performance is routinely monitored using umpire assays, check batches and inter-laboratory comparisons between ALS certified laboratory in Lima and the ACME certified laboratory in Cuenca, Ecuador.

In order to monitor the ongoing quality of its analytical database, SolGold's QA/QC protocol encompasses standard sampling methodologies, including the insertion of certified powder blanks, coarse chip blanks, standards, pulp duplicates and field duplicates. The blanks and standards are Certified Reference Materials supplied by Ore Research and Exploration, Australia.

SolGold's QA/QC protocol also monitors the ongoing quality of its analytical database. The Company's protocol involves Independent data validation of the digital analytical database including search for sample overlaps, duplicate or absent samples as well as anomalous assay and survey results. These are routinely performed ahead of Mineral Resource Estimates and Feasibility Studies. No material QA/QC issues have been identified with respect to sample collection, security and assaying.

Reviews of the sample preparation, chain of custody, data security procedures and assaying methods used by SolGold confirm that they are consistent with industry best practices and all results stated in this announcement have passed SolGold's QA/QC protocol.

See www.solgold.com.au for more information. Follow us on twitter @SolGold_plc

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News releases, presentations and public commentary made by SolGold plc (the "Company") and its Officers may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to interpretations of exploration results to date and the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's Directors. Such forward-looking and interpretative 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 interpretations and forward-looking statements.

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This release may contain "forward?looking information" within the meaning of applicable Canadian securities legislation. Forward?looking information includes, but is not limited to, statements regarding the Company's plans for developing its properties, successful completion of the NSR Financing, future gold stream financing, resource estimates, the lifting of travel-related COVID-19 restrictions, results of exploration activities, development of the Alpala project, future funding participation by Cornerstone, future budgets to complete a feasibility study and re-activation of operations . Generally, forward?looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward?looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward?looking information, including but not limited to: timing of the lifting of COVID-19 related-related restrictions, satisfactory completion of site visit due diligence by Franco-Nevada, the ability to complete future financings on terms acceptable to SolGold, transaction risks; general business, economic, competitive, political and social uncertainties; future prices of mineral prices; accidents, labour disputes and shortages and other risks of the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward?looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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