

SolGold Plc (TSX:SOLG; LON SOLG) Porvenir Potential Continues to Grow

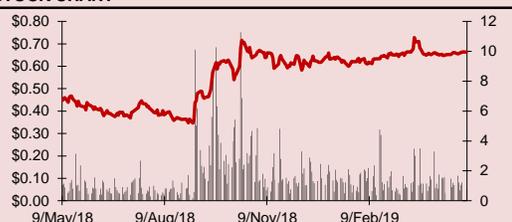
Exploration Update

(Currency is C\$ unless noted otherwise)

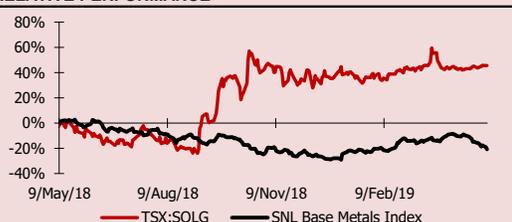
Closing Price (\$/sh)		\$0.65
52 Week Low / High (\$/sh)	\$0.32 / \$0.76	
Net Asset Value Per Share (\$/sh)		\$1.50
P/NAV		0.43x

CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	1,846.3	1,997.5
Market Capitalization (\$M)		\$1,200.1
Enterprise Value (\$M)		\$1,106.9
Estimated Cash Balance Cash (\$M)		\$93.2
Total Debt (\$M)		\$0.0

STOCK CHART



RELATIVE PERFORMANCE



NET ASSET VALUE	(\$M)	(\$/Sh)
Cascabel, Ecuador (85% Ownership)	\$6,417.9	\$2.49
Taxes	(\$3,484.1)	(\$1.35)
Other Assets	\$187.5	\$0.07
Corporate adjustments	\$745.3	\$0.29
Total NAV	\$3,866.6	\$1.50

RELATIVE VALUATION	EV/lb CuEq	P/NAV
Explorer/Developer Peers*	US\$0.010	0.42x
SolGold plc (Consensus)	US\$0.031	0.45x
SolGold plc (RCKS Est.)	US\$0.031	0.43x

*Capital IQ Consensus

MAJOR SHAREHOLDERS

Management (3.67%), Newcrest Mining Limited (15.23%), BHP Group (11.14%), DGR Global Limited (11.06%), Cornerstone Capital Resour. (9.22%), Tenstar Trading Limited (6.39%), BlackRock, Inc. (5.89%)

DISCLOSURE CODE: 1, 2, 3, 4

(Please refer to the disclosures listed on the back page)

Source: RCKS estimates, Company Information, Capital IQ

Company Description

SolGold plc, together with its subsidiaries, engages in the exploration of mineral properties in Ecuador, Australia, and Solomon Islands. The company primarily explores for gold, copper, and silver deposits. Its flagship project is the Cascabel project that covers an area of approximately 50 square kilometers located in Quito, Ecuador. The company was formerly known as Solomon Gold plc and changed its name to SolGold plc in May 2012. SolGold plc was incorporated in 2005 and is based in Brisbane, Australia.

Impact: Mildly Positive

With the discovery of a large, shallow and high-grade target at its Porvenir project, SolGold has identified a potentially game-changing drill target. We believe that should drilling yield a discovery (Q2/19), it could drive SolGold's share price higher. **This exploration optionality is underpinned by the world-class Alpala deposit, that we believe is undervalued by the market. We continue to believe that large mining companies are positioning to potentially acquire SolGold (Newcrest - 15% & BHP - 11%).**

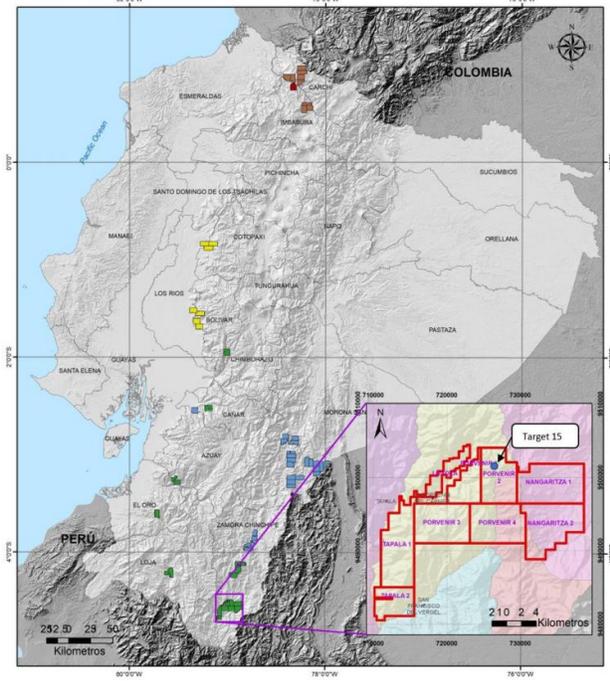
Highlights:

- **Initial results suggest another large porphyry.** At Porvenir, rock saw sampling intercepted economic grades of 0.64% CuEq over 147.8m which included a high-grade interval including 0.96% CuEq over 82.6m. Through a combination of sampling methods, the target has a footprint of 1200m by 800m (Figure 3). Exploration work suggests the mineralization at Porvenir could be large shallow porphyry with similar to Alpala and is one of several targets identified.
- **Drilling should give us clarity on potential.** The company plans to complete ground magnetic surveying alongside drilling to test Target 15 in Q2/19. With good initial grades from surface sampling, we expect drilling could be key in proving the potential scale at Porvenir, by determining the depth extent.
- **Another large porphyry discovery could be game changing.** We currently ascribe a value of US\$100M for the company's Southern Ecuador exploration projects; however, wide intercepts (>250m) at economic open-pit grades (>0.5%CuEq) could make Porvenir worth multiples of our current estimates. In our view, demonstrating this exploration upside is likely to make SolGold even more attractive.

Valuation:

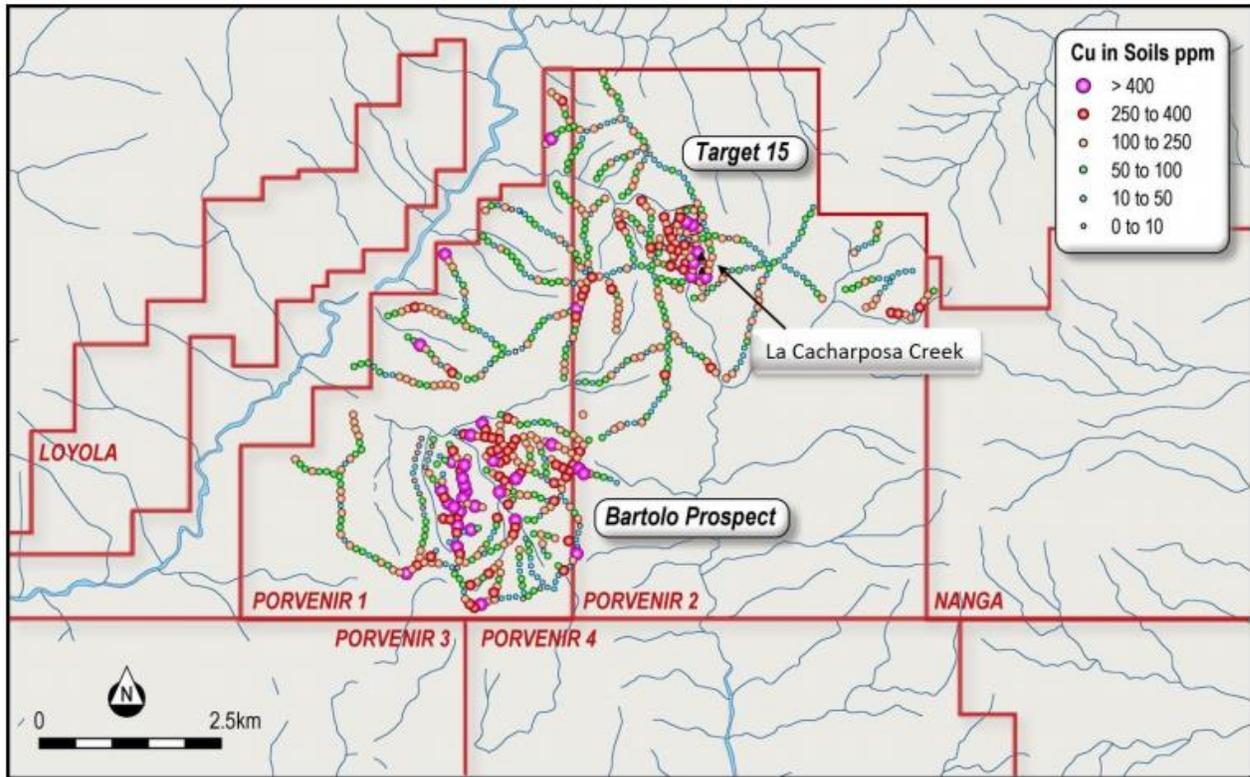
Surfacing value at Porvenir could accelerate the expected takeout. We are maintaining our C\$1.35 fair value estimate based on 0.90x our C\$1.50 NAVPS_{8%} estimate (was C\$1.47 - up on Q4/18 financials). SolGold currently trades closely in line with peers (0.43x NAV, peers 0.42x). We expect the pending PEA should drive the stock higher. **Upcoming catalysts:** 1) Maiden PEA for Alpala (Q2/19) 2) Formal bid for Cornerstone and 3) Ongoing exploration results.

Figure 1: Location Plan Showing the Porvenir Project



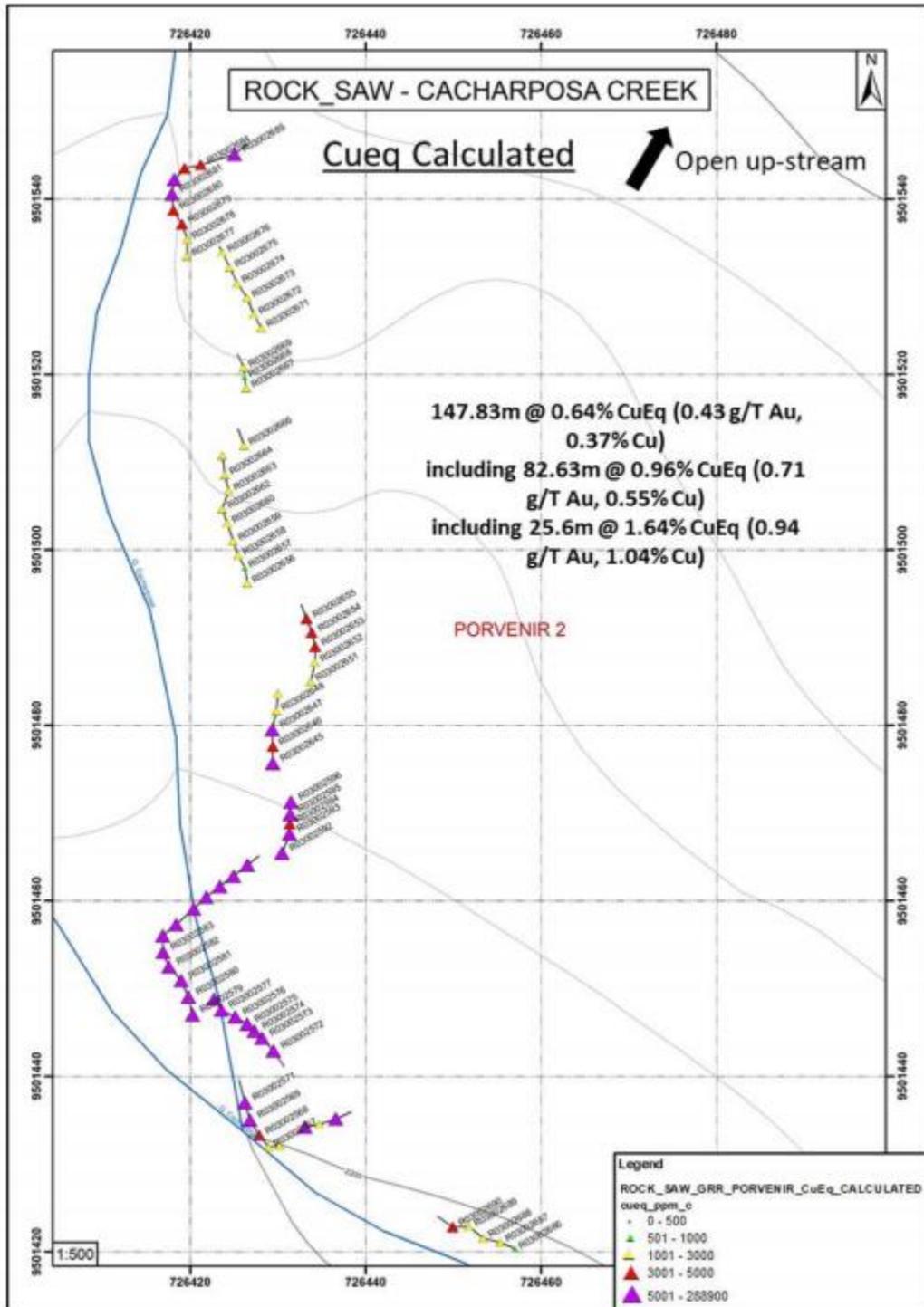
Source: Company Reports

Figure 2: Prospect Locations and Geochemical Results



Source: Company Reports

Figure 3: Rock Saw Channel Sampling Results



Source: Company Reports

Derek Macpherson | VP Mining Analysis, dmacpherson@redcloudks.com
Edmond Thorose | VP Corporate Development, ethorose@redcloudks.com
Alex Pitcher | Associate, Mining Analysis, apitcher@redcloudks.com
Beatrice Cigagna | Associate, Mining Analysis, bcigagna@redcloudks.com

Red Cloud Klondike Strike Inc.
 105 King Street East, 2nd Floor
 Toronto ON, M5C 1G6
RCKSTalk@RedCloudKS.com
www.redcloudks.com/rcks-talk

Disclaimer

Red Cloud Klondike Strike Inc. is registered as an Exempt Market Dealer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland & Labrador, and the Yukon. Part of Red Cloud Klondike Strike Inc.'s business is to connect mining companies with suitable investors that qualify under available regulatory exemptions (the "Red Cloud KS Business"). Red Cloud Klondike Strike Inc., its affiliates and associates, and their respective officers, directors, representatives, researchers and members of their families (collectively, "Red Cloud KS") may hold positions in the companies mentioned in this publication and may buy or sell, or buy and sell their securities or securities of the same class on the market or otherwise. Additionally, Red Cloud KS may have provided in the past, and may provide in the future, certain advisory or corporate finance services and receive financial and other incentives from issuers as consideration for the provision of such services.

Red Cloud KS has prepared this publication for general information purposes only, NOT as part of the Red Cloud KS Business. This publication should not be considered a solicitation to purchase or sell securities or a recommendation to buy or sell securities. The information provided by Red Cloud KS for the purposes of this publication has been derived from sources believed to be accurate, but cannot be guaranteed. Opinions or analysis contained in this publication may be subject to change and Red Cloud KS does not undertake to advise the reader of such changes. This publication does NOT take into account the particular investment objectives, financial situations, or needs of individual recipients and other issues (e.g. prohibitions to investments due to law, jurisdiction issues, etc.) which may exist for certain persons. Recipients should rely on their own investigations and take their own professional advice before investment. Red Cloud KS will not treat recipients of this publication as customers or clients by virtue of having viewed this report.

Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
SolGold Plc	TSX:SOLG	1,2,3,4

1. A member of Red Cloud KS team has visited/viewed material operations of the issuer.
2. In the last 12 months, Red Cloud KS has been retained under a service or advisory agreement by the subject issuer.
3. In the last 12 months, Red Cloud KS has received compensation for investment banking services.
4. Red Cloud KS or a member of the Red Cloud KS team or household, has a long position in the shares and/or the options of the subject issuer.
5. Red Cloud KS or a member of the Red Cloud KS team or household, has a short position in the shares and/or the options of the subject issuer.
6. Red Cloud KS or a member of the Red Cloud KS team own more than 1% of any class of common equity of the subject issuer.
7. A member of Red Cloud KS team or a member's household serves as a Director or Officer or Advisory Board Member of the subject issuer.