



**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE NINE MONTHS ENDED 31 MARCH 2018

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, the statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by management and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim financial statements.

Nicholas Mather
Director

11 May 2018

Brian Moller
Director

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

FOR THE PERIOD ENDED 31 MARCH 2018

	Notes	Three months ended 31 March 2018 A\$ (unaudited)	Three months ended 31 March 2017 A\$ (unaudited)	Nine months ended 31 March 2018 A\$ (unaudited)	Nine months ended 31 March 2017 A\$ (unaudited)
Expenses					
Exploration costs written-off		-	4,090	(1,877)	(17,310)
Administrative expenses	3	(5,465,932)	(5,470,076)	(15,222,676)	(4,632,290)
Operating loss		(5,465,932)	(5,465,986)	(15,224,553)	(4,649,600)
Finance income	3	358,142	-	358,208	69
Finance costs		-	(146)	-	(72,764)
Loss before tax		(5,107,790)	(5,466,132)	(14,866,345)	(4,722,295)
Tax (expense) benefit		(502,799)	1,546,457	(2,456,273)	2,276,621
Loss for the period		(5,610,589)	(3,919,675)	(17,322,618)	(2,445,674)
Other comprehensive profit / (loss)					
<i>Items that may be reclassified to profit and loss</i>					
Change in fair value of available for sale financial assets		(1,173,198)	2,563,206	(5,478,405)	5,312,116
Exchange differences on translation of foreign operations		(454,033)	(5,142,461)	664,978	(4,946,249)
Other Comprehensive (loss) / profit , net of tax		(1,627,231)	(2,579,255)	(4,813,427)	365,867
Total comprehensive (loss) / income for the period		(7,237,820)	(6,498,930)	(22,136,045)	(2,079,807)
Loss for the period attributable to:					
Owners of the parent company		(5,554,898)	(3,897,345)	(17,209,901)	(2,386,283)
Non-controlling interest		(55,691)	(22,330)	(112,717)	(59,391)
Loss for the period		(5,610,589)	(3,919,675)	(17,322,618)	(2,445,674)
Total comprehensive profit / (loss) for the period is attributable to:					
Owners of the parent company		(7,299,775)	(6,210,428)	(22,326,326)	(1,783,676)
Non-controlling interest		61,955	(288,502)	190,281	(296,131)
Total comprehensive (loss) / income for the period		(7,237,820)	(6,498,930)	(22,136,045)	(2,079,807)
Basic and diluted earnings per share					
	Notes			Nine months ended 31 March 2018 Cents (unaudited)	Nine months ended 31 March 2017 Cents (unaudited)
Basic earnings per share	4			(1.1)	(0.2)
Diluted earnings per share	4			(1.1)	(0.2)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2018

	Notes	31 March 2018 A\$ (unaudited)	30 June 2017 A\$ (audited)
Assets			
Property, plant and equipment		3,897,821	1,777,937
Intangible assets	5	114,647,722	59,723,105
Investment in available for sale securities	6	7,232,212	14,366,304
Loans receivable and other non-current assets		1,168,937	226,175
Total non-current assets		126,946,692	76,093,521
Other receivables and prepayments		2,255,819	1,307,344
Cash and cash equivalents		105,108,799	89,312,743
Total current assets		107,364,618	90,620,087
Total assets		234,311,310	166,713,608
Equity			
Share capital	7	29,513,563	26,376,265
Share premium	7	272,633,858	199,322,436
Other reserves		18,362,567	15,385,705
Accumulated loss		(94,021,705)	(76,869,038)
Equity attributable to owners of the parent company		226,488,283	164,215,368
Non-controlling interest		(52,654)	(242,935)
Total equity		226,435,629	163,972,433
Liabilities			
Trade and other payables		7,875,681	2,741,175
Total current liabilities		7,875,681	2,741,175
Total liabilities		7,875,681	2,741,175
Total equity and liabilities		234,311,310	166,713,608

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2018

	Share capital A\$	Share premium A\$	Available for Sale Financial Asset Reserve A\$	Share option reserve A\$	Foreign currency translation reserve A\$	Change in proportionate interest reserve A\$	Accumulated losses A\$	Total A\$	Non-controlling interests A\$	Total equity A\$
Balance 31 March 2017	25,022,555	145,606,638	5,170,817	5,759,422	(2,760,645)	(67,864)	(74,875,647)	103,855,276	(172,994)	103,682,282
Loss for the period	-	-	-	-	-	-	(2,031,742)	(2,031,742)	(22,556)	(2,054,298)
Other comprehensive income for the period	-	-	3,608,399	-	2,904,362	-	-	6,512,761	(47,385)	6,465,376
Total comprehensive income for the period	-	-	3,608,399	-	2,904,362	-	(2,031,742)	4,481,019	(69,941)	4,411,078
New share capital subscribed	1,324,161	53,197,804	-	-	-	-	-	54,521,965	-	54,521,965
Share issue costs	-	(72,989)	-	-	-	-	-	(72,989)	-	(72,989)
Options expired	-	-	-	(38,351)	-	-	38,351	-	-	-
Options exercised	29,549	590,983	-	-	-	-	-	620,532	-	620,532
Value of options issued to employees and consultants	-	-	-	809,565	-	-	-	809,565	-	809,565
Balance 30 June 2017	26,376,265	199,322,436	8,779,216	6,530,636	143,717	(67,864)	(76,869,038)	164,215,368	(242,935)	163,972,433
Loss for the period	-	-	-	-	-	-	(5,814,728)	(5,814,728)	(23,685)	(5,838,413)
Other comprehensive income for the period	-	-	(2,567,648)	-	(347,035)	-	-	(2,914,683)	(486,220)	(3,400,903)
Total comprehensive income for the period	-	-	(2,567,648)	-	(347,035)	-	(5,814,728)	(8,729,411)	(509,905)	(9,239,316)
New share capital subscribed	11,366	422,377	-	-	-	-	-	433,743	-	433,743
Share issue costs	-	(3,411)	-	-	-	-	-	(3,411)	-	(3,411)
Options exercised	43,955	879,106	-	-	-	-	-	923,061	-	923,061
Value of options issued to employees and consultants	-	-	-	2,247,574	-	-	-	2,247,574	-	2,247,574
Balance 30 September 2017	26,431,586	200,620,508	6,211,568	8,778,210	(203,318)	(67,864)	(82,683,766)	158,086,924	(752,840)	158,334,084

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2018**

	Share capital A\$	Share premium A\$	Available for Sale Financial Asset Reserve A\$	Share option reserve A\$	Foreign currency translation reserve A\$	Change in proportionate interest reserve A\$	Accumulated losses A\$	Total A\$	Non-controlling interests A\$	Total equity A\$
Balance 30 September 2017	26,431,586	200,620,508	6,211,568	8,778,210	(203,318)	(67,864)	(82,683,766)	158,086,924	(752,840)	158,334,084
Loss for the period	-	-	-	-	-	-	(5,840,273)	(5,840,273)	(33,341)	(5,873,614)
Other comprehensive income for the period	-	-	(1,737,559)	-	1,280,694	-	-	(456,865)	671,572	214,707
Total comprehensive income for the period	-	-	(1,737,559)	-	1,280,694	-	(5,840,273)	(6,297,138)	638,231	(5,658,907)
New share capital subscribed	3,081,977	73,967,428	-	-	-	-	-	77,049,405	-	77,049,405
Share issue costs	-	(1,868,031)	-	-	-	-	-	(1,868,031)	-	(1,868,031)
Options expired	-	-	-	(57,232)	-	-	57,232	-	-	-
Value of options issued to employees and consultants	-	-	-	2,951,473	-	-	-	2,951,473	-	2,951,473
Balance 31 December 2017	29,513,563	272,719,905	4,474,009	11,672,451	1,077,376	(67,864)	(88,466,807)	230,922,633	(114,609)	230,808,024
Loss for the period	-	-	-	-	-	-	(5,554,898)	(5,554,898)	(55,691)	(5,610,589)
Other comprehensive income for the period	-	-	(1,173,198)	-	(571,679)	-	-	(1,744,877)	117,646	(1,627,231)
Total comprehensive income for the period	-	-	(1,173,198)	-	(571,679)	-	(5,554,898)	(7,299,775)	61,955	(7,237,820)
Share issue costs	-	(86,047)	-	-	-	-	-	(86,047)	-	(86,047)
Value of options issued to employees and consultants	-	-	-	2,951,472	-	-	-	2,951,472	-	2,951,472
Balance 31 March 2018	29,513,563	272,633,858	3,300,811	14,623,923	505,697	(67,864)	(94,021,705)	226,488,283	(52,654)	226,435,629

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2018

Notes	Three months ended 31 March 2018 A\$ (unaudited)	Three months ended 31 March 2017 A\$ (unaudited)	Nine months ended 31 March 2018 A\$ (unaudited)	Nine months ended 31 March 2017 A\$ (unaudited)
Cash flows from operating activities				
Loss before tax	(5,107,790)	(5,466,132)	(14,866,345)	(4,722,295)
Depreciation	11,537	11,618	35,461	24,509
Share based payments expense	2,951,472	809,565	8,150,519	1,429,968
Write-off of exploration expenditure	-	(4,090)	1,877	17,310
(Increase) decrease in other receivables and prepayments	(386,301)	1,346,866	(922,435)	(319,583)
Increase (decrease) in trade and other payables	(361,145)	2,866,718	8,509	(536,137)
Net cash outflow from operating activities	(2,892,227)	(435,455)	(7,592,414)	(4,224,677)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(559,458)	(102,625)	(2,155,345)	(649,753)
Payments for security deposits	(821,946)	(16,610)	(942,762)	(16,610)
Acquisition of exploration and evaluation assets	(29,014,010)	(6,591,442)	(49,265,275)	(12,596,102)
Net cash (outflow) from investing activities	(30,395,414)	(6,710,677)	(52,363,382)	(13,262,465)
Cash flows from financing activities				
Proceeds from the issue of ordinary share capital	-	873,503	78,406,209	63,339,546
Payment of issue costs	(86,047)	(191,904)	(2,758,075)	(213,810)
Proceeds from borrowings	-	-	-	852,736
Net cash (outflow) inflow from financing activities	(86,047)	681,599	75,648,134	63,978,472
Net (decrease) increase in cash and cash equivalents	(33,373,688)	(6,464,533)	15,692,338	46,609,779
Cash and cash equivalents at beginning of period	138,440,493	56,119,229	89,312,743	94,933
Effects of exchange rate changes on cash and cash equivalents	41,994	(3,163,366)	103,718	(213,382)
Cash and cash equivalents at end of period	105,108,799	46,491,330	105,108,799	46,491,330

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This general purpose interim condensed consolidated financial report for the nine-month period ended 31 March 2018 has been prepared in accordance with IAS 34 *Interim Financial Reporting* and International Financial Reporting Standards as adopted by the European Union ('IFRSs') and their interpretations issued by the International Accounting Standards Board (IASB) and the Listing Rules. The interim condensed consolidated financial statements also comply with IFRS as issued by the IASB, as is required as a result of our listing on TSX in Canada.

The financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The figures for the year ended 30 June 2017 are based upon the latest statutory accounts, which have been delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain a statement under Section 489 (2) or (3) of the Companies Act 2006.

The interim condensed consolidated financial statements are presented in Australian dollars ("A\$") and have been prepared on the historical cost basis.

The interim condensed consolidated financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing activities of the consolidated entity.

It is recommended that the interim condensed consolidated financial report be read in conjunction with the annual report for the year ended 30 June 2017 and considered together with any public announcements made by SolGold plc and its controlled entities during the nine months ended 31 March 2018.

The same accounting policies and methods of computation have been followed in this half-year financial report was applied in the most recent annual financial report.

Going concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Company has not generated revenues from operations. In common with many exploration companies, the Company raises finance for its exploration and appraisal activities in discrete tranches. At the reporting date, the Group had a net working capital surplus of A\$99,488,937 (30 June 2017: A\$87,878,912).

It should be noted that the current working capital levels will not be sufficient to bring the Group's projects into full development and production and, in due course, further funding will be required. In the event that the Company is unable to secure further finance either through other finance arrangements or capital raisings, it may not be able to fully develop its projects and this may have a consequential impact on the carrying value of the related exploration assets and the investment of the parent company in its subsidiaries. In the absence of these matters being successful, there exists a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and therefore, it may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

Comparatives

When required by Accounting Standards, comparatives have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

(i) Subsidiaries

The interim condensed consolidated financial statements comprise the financial statements of SolGold plc and its controlled entities as at 31 March 2018.

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The condensed consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The condensed consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

The results of subsidiaries acquired or disposed of during the year are included in the condensed consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies into line with those used by the Group.

Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and presented within equity in the condensed consolidated statement of financial position, separately from the equity of the owners of the parent.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments (continued)

Classification and Subsequent Measurement

- (i) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.
- (ii) *Financial assets at fair value through profit or loss*
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. These assets are measured at fair value with gains or losses recognised in the profit or loss.
- (iii) *Available-for-sale financial assets*
Available-for-sale financial assets comprise investments in listed and unlisted entities and non-derivatives that are either designated in this category or not classified in any other categories. After initial recognition, these investments are measured at fair value with gains or losses recognised in other comprehensive income.
- (iv) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.
- (v) *Derivatives*
Derivative financial instruments, consisting of embedded conversion options in convertible loan notes, are initially measured at fair value on the contract date and are re-measured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments are recognised in profit or loss as they arise.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value of all other financial assets and liabilities, where appropriate, including recent arm's length transactions, reference to similar instruments and option pricing models.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of financial assets

An assessment is made at each reporting date to determine whether there is objective evidence that a specific financial asset or a group of financial assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined from available information such as quoted market prices or by calculating the net present value of future anticipated cash flows. In estimating these cash flows, management makes judgements about a counter-party's financial situation and the net realisable value of any underlying collateral. Impairment losses are recognised in the profit or loss.

Impairment losses on assets measured at amortised cost using the effective interest rate method are calculated by comparing the carrying value of the asset with the present value of estimated future cash flows at the original effective interest rate.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments (continued)

Impairment of financial assets (continued)

Where there is objective evidence that an available for sale financial asset is impaired (such as a significant or prolonged decline in the fair value of an available for sale financial asset) the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. When a subsequent event reduces the impairment of an available for sale debt security the impairment loss is reversed through profit or loss. When a subsequent event reduces the impairment of an available for sale equity instrument the fair value increased is recognised in other comprehensive income.

New standards and interpretations not yet adopted

The Group has elected not to early adopt the following revised and amended standards, which are not yet mandatory in the EU. The list below includes only standards and interpretations that could have an impact on the Consolidated Financial Statements of the Group.

<i>Effective period commencing on or after</i>		
IFRS 9	Financial instruments	1 Jan 2018
IFRS 15	Revenue from contracts with customers	1 Jan 2018
IFRS 16	Leases	1 Jan 2019
IAS 12	Amendment - Recognition of deferred tax assets for unrealised losses	1 Jan 2017
IAS 7	Amendment - Disclosure initiative	1 Jan 2017
IFRS 2	Amendment - Classification and measurement of share based payment transactions	1 Jan 2018

IFRS 9 Financial instruments

The complete standard was issued in July 2014 including the requirements previously issued and additional amendments. The new standard replaces IAS 39 and includes a new expected loss impairment model, changes to the classification and measurement requirements of financial assets as well as to hedge accounting. The new standard becomes effective for financial years beginning on or after 1 January 2018. The Group has reviewed its existing arrangements in place and has concluded that the adoption of this standard is not expected to have a material impact in the future periods.

IFRS 15 Revenue from contracts with customers

The new standard was issued in May 2014. IFRS 15 is intended to introduce a single framework for revenue recognition and clarify principles of revenue recognition. This standard modifies the determination of when to recognise revenue and how much revenue to recognise. The new standard becomes mandatory for financial years beginning on or after 1 January 2018. The effect will be assessed and disclosure will be made once the Group has assessed the impact of applying IFRS 15. The adoption of this standard is not expected to have a material impact in the future periods until the Group commences generating revenues from its exploration projects.

IFRS 16 Leases

The new standard was issued in January 2016 replacing the previous leases standard, IAS 17 Leases, and related Interpretations. IFRS 16 establishes the principles for the recognition, measurement, presentation and disclosure of leases for the customer ('lessee') and the supplier ('lessor'). IFRS 16 eliminates the classification of leases as either operating or finance as is required by IAS 17 and, instead, introduces a single lessee accounting model requiring a lessee to recognise assets and liabilities for all leases unless the underlying asset has a low value or the lease term is twelve months or less. This new standard applies to annual reporting periods beginning on or after 1 January 2019 subject to EU endorsement. The Group has reviewed its arrangements in place and has concluded that the adoption of this standard is not expected to have a material impact in the future periods.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Taxation

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The tax expense (benefit) recognised at the reporting date is predominantly reflects the tax effect on the mark to market of the available-for-sale financial assets.

NOTE 2 OPERATING SEGMENTS

The Group determines and separately reports operating segments based on information that is internally provided to the Directors, who are the Group's chief operating decision makers.

The Group has outlined below the separately reportable operating segments, having regard to the quantitative threshold tests provided in IFRS 8 *Operating Segments*, namely that the relative revenue, asset or profit / (loss) position of the operating segment equates to 10% or more of the Group's respective total. The Group reports information to the Board of Directors by project areas. That is, the financial position of each project area is reported discretely, together with an aggregated corporate and administrative cost centre.

	31 March 2018 (unaudited)						
	Finance Income	Income	Loss for the period	Share Based Payments	Assets	Liabilities	Non-current asset additions
	A\$	A\$	A\$	A\$	A\$	A\$	A\$
Cascabel project*	-	-	(751,451)	-	95,443,522	5,070,456	44,729,322
Other Ecuadorian projects	-	-	(20,316)	-	15,998,164	482,243	12,087,484
Queensland projects	-	-	(5,108)	-	12,894,724	57,962	44,123
Solomon Islands projects	-	-	(39,925)	-	47,973	-	-
Corporate	358,208	358,208	(16,505,758)	8,150,519	109,926,927	2,265,020	(6,007,757)
Total	358,208	358,208	(17,322,618)	8,150,519	234,311,310	7,875,681	50,853,171

	30 June 2017 (audited)						
	Finance Income	Income	Loss for the period	Share Based Payments	Assets	Liabilities	Non-current asset additions
	A\$	A\$	A\$	A\$	A\$	A\$	A\$
Cascabel project*	-	-	(546,315)	-	49,132,923	1,783,879	16,590,892
Other Ecuadorian projects	-	-	(6,487)	-	3,355,760	186,211	3,355,760
Queensland projects	30	30	(2,692)	-	12,466,324	8,408	484
Solomon Islands projects	39	39	(31,942)	-	29,406	-	-
Corporate	-	-	(3,912,536)	2,239,533	101,729,194	762,677	12,944,385
Total	69	69	(4,499,972)	2,239,533	166,713,607	2,741,175	32,891,521

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 2 OPERATING SEGMENTS (CONTINUED)

	31 March 2017 (unaudited)						
	Finance Income A\$	Other Income A\$	Loss for the period A\$	Share Based Payments A\$	Assets A\$	Liabilities A\$	Non-current asset additions A\$
Cascabel project*	-	-	(395,938)	-	42,459,172	1,456,673	7,838,792
Other Ecuadorian projects	-	-	-	-	1,156,952	61,870	1,156,952
Queensland projects	-	-	(2,028)	-	12,420,652	10,009	1,092
Solomon Islands projects	-	-	3,408	-	47,974	-	-
Corporate	69	-	(2,051,116)	1,429,968	53,303,558	809,186	(5,054,045)
Total	69	-	(2,445,674)	1,429,968	109,388,308	2,337,738	3,942,791

* The Cascabel project is held by the subsidiary Exploraciones Novomining S.A. which is 15% owned by a non-controlling interest.

Geographical information

Non-current assets	31 March 2018 A\$	30 June 2017 A\$
UK	-	-
Australia	18,763,052	24,726,686
Solomon Islands	-	-
Ecuador	108,183,640	51,366,835
	126,946,692	76,093,521

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 3 OPERATING LOSS

	Three months ended 31 March 2018 A\$	Three months ended 31 March 2017 A\$	Nine months ended 31 March 2018 A\$	Nine months ended 31 March 2017 A\$
The operating loss is stated after charging (crediting)				
Interest revenue - external parties	358,142	-	358,208	69
	358,142	-	358,208	69
Administrative and consulting expenses	2,097,075	1,175,271	6,130,474	2,368,475
Employment expenses	447,842	310,256	1,009,940	595,956
Depreciation	11,537	11,618	35,461	24,509
Foreign exchange (gains)	(41,994)	3,163,366	(103,718)	213,382
Share based payments	2,951,472	809,565	8,150,519	1,429,968
	5,465,932	5,470,076	15,222,676	4,632,290

NOTE 4 LOSS PER SHARE

	Nine months ended 31 March 2018	Nine months ended 31 March 2017
Calculation of basic and diluted loss per share is in accordance with IAS 33 <i>Earnings per Share</i> .		
Loss per ordinary share		
Basic loss per share (cents per share)	(1.1)	(0.2)
Diluted loss per share (cents per share)	(1.1)	(0.2)
Net loss used in calculating basic and diluted loss per share (A\$)	(17,209,901)	(2,386,283)
	Number	Number
Weighted average number of ordinary share used in the calculation of basic loss per share	1,595,562,547	1,292,890,912
Weighted average number of dilutive options	3,326,904	20,227,926
Weighted average number of ordinary shares used in the calculation of diluted loss per share	1,598,889,451	1,313,118,838

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 5 INTANGIBLE ASSETS

	Deferred exploration costs A\$
Cost	
Balance at 1 July 2016	92,810,120
Additions	18,660,501
Balance at 30 June 2017	111,470,621
Additions	54,926,494
Balance at 31 March 2018	166,397,115
Impairment losses	
Balance at 1 July 2016	(51,730,206)
Impairment charge	(17,310)
Balance at 30 June 2017	(51,747,516)
Impairment charge	(1,877)
Balance at 31 March 2018	(51,749,393)
Carrying amounts	
At 30 June 2016	41,079,914
At 30 June 2017	59,723,105
At 31 March 2018	114,647,722

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of areas of interest, and the sale of minerals or the sale of the respective areas of interest.

NOTE 6 INVESTMENT IN AVAILABLE FOR SALE SECURITIES

(a) Investments accounted for as available-for-sale assets

	31 March 2018	30 June 2017
	A\$	A\$
Movements in available for sale assets		
Opening balance at the beginning of the reporting period	14,366,304	1,622,711
Fair value adjustment through other comprehensive income	(7,134,092)	12,743,593
Closing balance at the end of the reporting period	7,232,212	14,366,304

Available for sale financial assets comprise an investment in the ordinary issued capital of Cornerstone Capital Resources Inc., listed on the Toronto Venture Exchange ("TSXV") and an investment in the ordinary issued capital of Aus Tin Mining Ltd, a company listed on the Australian Securities Exchange.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 6 INVESTMENT IN AVAILABLE FOR SALE SECURITIES (CONTINUED)

(b) Fair value

Fair value hierarchy

The following table details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The fair values of financial assets and financial liabilities approximate their carrying amounts principally due to their short-term nature or the fact that they are measured and recognised at fair value.

The following table represents the Group's financial assets and liabilities measured and recognised at fair value.

	A\$ Level 1	A\$ Level 2	A\$ Level 3	A\$ Total
31 March 2018				
Available for sale financial assets	7,232,714	-	-	7,232,714
30 June 2017				
Available for sale financial assets	14,366,304	-	-	14,366,304

The available for sale financial assets are measured based on the quoted market prices at 31 March 2018 and 30 June 2017.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 7 SHARE CAPITAL

	Nine months ended 31 March 2018 A\$	Twelve months ended 30 June 2017 A\$
a) Issued capital and share premium		
Ordinary shares fully paid up	302,147,421	225,698,701
b) Movement in ordinary shares		
At the beginning of the reporting period	225,698,701	104,503,526
Shares issued during the period	78,406,209	127,670,249
Transaction costs on share issue	(1,957,489)	(6,475,074)
At reporting date	302,147,421	225,698,701

	Nine months ended 31 March 2018 Number	Twelve months ended 30 June 2017 Number
c) Movement in number of ordinary shares on issue		
Shares at the beginning of the reporting period	1,512,955,685	953,897,601
- Shares issued at £0.06 - Placement 28 August 2016	-	268,819,004
- Shares issued at £0.13 - Placement 17 October 2016	-	206,250,000
- Shares issued at £0.14 - Exercise of options 17 January 2017	-	900,000
- Shares issued at £0.30 - Newcrest share issue 31 January 2017	-	100,000
- Shares issued at £0.14 - Exercise of options 3 February 2017	-	1,200,000
- Shares issued at £0.14 - Exercise of options 21 February 2017	-	900,000
- Shares issued at £0.38 - Newcrest share issue 1 March 2017	-	240,000
- Shares issued at £0.41 - Placement 16 June 2017	-	78,889,080
- Shares issued at £0.14 - Exercise of options 26 June 2017	-	880,000
- Shares issued at £0.28 - Exercise of options 26 June 2017	-	880,000
- Shares issued at £0.14 - Exercise of options 7 July 2017	1,300,000	-
- Shares issued at £0.28 - Exercise of options 7 July 2017	1,300,000	-
- Shares issued at £0.38 - Newcrest share issue 11 August 2017	690,000	-
- Shares issued at £0.25 - Placement 30 November 2017	180,000,000	-
Shares at the reporting date	1,696,245,686	1,512,955,685

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 8 SHARE OPTIONS

At 31 March 2018 the Company had 88,353,768 options outstanding for the issue of ordinary shares (31 March 2017: 45,951,768).

Options

Share options are granted to employees under the company's Employee Share Option Plan ("ESOP"). The employee share option plan is designed to align participants' interests with those of shareholders.

Unless otherwise documented by the Company, when a participant ceases employment prior to the vesting of their share options, the share options are forfeited after 90 days unless cessation of employment is due to termination for cause, whereupon they are forfeited immediately. The Company prohibits key management personnel from entering into arrangements to protect the value of unvested ESOP awards.

The contractual life of each option granted is generally two to three years. There are no cash settlement alternatives.

Each option can be exercised from vesting date to expiry date for one share with the exercise price payable in cash.

Share options issued

There were 46,762,000 options granted during the period ended 31 March 2018 (31 March 2017: 41,591,768).

On 9 August 2017, the Company issued a combined total of 46,762,000 unlisted share options over ordinary shares of the Company, including:

- 36,750,000 share options to Directors following approval granted by shareholders at the Company's AGM on 28 July 2017;
- 10,000,000 share options to its two key geologists; and
- 12,000 share options to a third party as part of the capital raising fees for the Company's last equity placement.

The options are exercisable at £0.60 and expire on 8 August 2020. The share options for Directors and the geological executives have a vesting period of 18 months unless triggered by a change of control transaction.

The share options outstanding at 31 March 2018 are as follows:

Date of grant	Exercisable from	Exercisable to	Exercise prices	Number granted	Number at 31 March 2018
17 October 2016	The options vested immediately through to 17 October 2018	17 October 2018	£0.14	9,795,884	9,795,884
			£0.28	9,795,884	9,795,884
17 November 2016	The options vest on the earlier of: (a) the expiry of 75% of the Term, or (b) a Change of Control Transaction	28 October 2018	£0.28	22,000,000	22,000,000
9 August 2017	The options vest on the earlier of: (a) 18 months, or (b) a Change of Control Transaction	8 August 2020	£0.60	46,750,000	46,750,000
9 August 2017	The options vested immediately, through to 8 August 2020	8 August 2020	£0.60	12,000	12,000
				88,353,768	88,353,768

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 8 SHARE OPTIONS (CONTINUED)

Share-based payments

The number and weighted average exercise price of share options are as follows:

	Weighted average exercise price 31 March 2018	Number of options 31 March 2018	Weighted average exercise price 31 March 2017	Number of options 31 March 2017
Outstanding at the beginning of the period	£0.25	44,191,768	£0.27	21,380,000
Exercised during the period	£0.21	(2,600,000)	-	-
Lapsed during the period	£0.60	-	-	-
Granted during the period	£0.60	46,762,000	-	-
Outstanding at the end of the period	£0.44	88,353,768	£0.27	21,380,000
Exercisable at the end of the period	£0.21	19,591,768	-	-

The options outstanding at 31 March 2018 have exercise prices of £0.14, £0.28 and £0.60 (31 March 2017: £0.14 - £0.28) and a weighted average contractual life of 1.51 years (31 March 2017: 1.56 years).

Share options held by Directors are as follows:

Share options held	At 31 March 2018	At 31 March 2017	Option Price	Exercise Period
Nicholas Mather	26,250,000	-	60p	07/02/19 - 08/08/20
	-	750,000	14p	08/07/14 - 08/07/17
	-	750,000	28p	08/07/14 - 08/07/17
Brian Moller	3,750,000	-	60p	07/02/19 - 08/08/20
	-	550,000	14p	08/07/14 - 08/07/17
	-	550,000	28p	08/07/14 - 08/07/17
Robert Weinberg	2,250,000	-	60p	07/02/19 - 08/08/20
	-	440,000	14p	08/07/14 - 08/07/17
	-	440,000	28p	08/07/14 - 08/07/17
John Bovard	2,250,000	-	60p	07/02/19 - 08/08/20
	-	440,000	14p	08/07/14 - 08/07/17
	-	440,000	28p	08/07/14 - 08/07/17
Craig Jones	2,250,000	-	60p	07/02/19 - 08/08/20

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

NOTE 8 SHARE OPTIONS (continued)

Share-based payments (continued)

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. This estimate is based on either a Black-Scholes model or Monte Carlo Simulation considering the effects of the vesting conditions, expected exercise period and the dividend policy of the Company.

Fair value of share options and assumptions	£0.14 Options 17 October 2016	£0.28 Options 17 October 2016	£0.28 Options 28 October 2016	£0.60 Options 9 August 2017
Number of options	9,795,884	9,795,884	22,000,000	46,762,000
Fair value at issue date	£0.12	£0.09	£0.14	£0.365-£0.375
Exercise price	£0.14	£0.28	£0.28	£0.60
Expected volatility	99.744%	99.744%	99.744%	89.714%
Option life	2.00 years	2.00 years	2.00 years	3.00 years
Expected dividends	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (short-term)	0.53%	0.53%	0.66%	0.461%
Valuation methodology	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
	A\$	A\$	A\$	A\$
Share based payments expense recognised in statement of comprehensive income	-	-	2,398,955	5,751,560
Share based payments expense recognised as share issue costs	-	-	-	3,411
Share based payments expense to be recognised in future periods	-	-	266,551	7,159,356

The calculation of the volatility of the share price was based on the Company's daily closing share price over the two-three year period prior to the date the options were issued.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 9 RELATED PARTIES

Transactions with Directors and Director-Related Entities

- (i) The Company had a commercial agreement with Samuel Capital Ltd (“Samuel”) for the engagement of Nicholas Mather as Chief Executive Officer and Executive Director of the Company. For the nine-month period ended 31 March 2018 A\$300,000 was paid or payable to Samuel (2017: A\$341,667). The total amount outstanding at 31 March 2018 was A\$ nil (31 March 2017: A\$ nil, 30 June 2017 A\$26,725).
- (ii) SolGold plc has a standing Administration and Services Agreement with DGR Global Ltd, an entity associated with Nicholas Mather (a Director) and Brian Moller (a Director) whereby DGR Global Ltd has agreed to provide certain services including the provision by DGR Global Ltd of its premises (for the purposes of conducting the Company’s business operations), use of existing office furniture, equipment and certain stationery, together with general telephone, reception and other office facilities (“Services”). In consideration for the provision of the Services, the Company shall reimburse DGR Global Ltd for any expenses incurred by it in providing the Services. DGR Global Ltd was paid A\$270,000 (2017: A\$270,000) for the provision of administration, management and office facilities to the Company during the half year. The total amount outstanding at 31 March 2018 is A\$30,000 (31 March 2017: A\$ nil, 30 June 2017 A\$22,011).
- (iii) Mr Brian Moller (a Director), is a partner in the Australian firm Hopgood Ganim Lawyers. Hopgood Ganim were paid A\$216,408 (2017: A\$328,932) for the provision of legal services to the Company during the nine-month period ended 31 March 2018. These services were based on normal commercial terms and conditions. The total amount outstanding at 31 March 2018 is A\$4,421 (31 March 2017: A\$53,287, 30 June 2017 A\$92,350).

NOTE 10 COMMITMENTS AND CONTINGENT ASSET AND LIABILITIES

A 2% net smelter royalty is payable to Santa Barbara Resources Limited, who were the previous owners of the Cascabel tenements. These royalties can be bought out by paying a total of US\$4 million. Fifty percent (50%) of the royalty can be purchased for US\$1 million 90 days following the completion of a feasibility study and the remaining 50% of the royalty can be purchased for US\$3 million 90 days following a production decision.

In the event Cornerstone Capital Resources Inc.’s (Cornerstone) equity interest in ENSA is diluted below 10%, Cornerstone’s equity interest will be converted to a half of one percent (0.5%) interest in a Net Smelter Return and SolGold will have right to purchase the Net Smelter Return for US\$3.5 million at any time.

There are no other significant changes to commitments and contingencies disclosed in the most recent annual financial report.

NOTE 11 SUBSEQUENT EVENTS

On 1 May 2018, Mr James Clare has been appointed as a Non-Executive Director to the SolGold Board of Directors. Mr Clare is a partner at Bennett Jones LLP, one of Canada’s leading corporate law firms. He is a corporate and securities lawyer with extensive experience in the mining sector both domestically and internationally. He was extensively involved with SolGold’s TSX listing process and provides ongoing legal and corporate advice to the Company in relation to its Canadian regulatory and business matters. Mr Clare also currently acts as a Non-Executive Director of PJX Resources Inc, Riverside Resources Inc and Spanish Mountain Gold Ltd.

The Directors are not aware of any other significant changes in the state of affairs of the Group or events after balance date that would have a material impact on the half year condensed consolidated financial statements.

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached interim condensed financial statements and notes thereto comply with IAS 34 '*Interim Financial Reporting*' and other mandatory professional reporting requirements;
- the attached interim condensed financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 March 2018 and of its performance for the quarter ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors.

On behalf of the Directors

/s/ Nicholas Mather

Nicholas Mather
Executive Director

Brisbane
11 May 2018