UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 30 SEPTEMBER 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.

/s/ Nicholas Mather
Nicholas Mather
Director

/s/ Brian Moller
Brian Moller
Director

13 November 2018

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

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Notes	Three months ended 30 September 2018 A$ (unaudited)	Three months ended 30 September 2017 A$ (unaudited)
Expenses			
Exploration costs written-off		(40,622)	(987)
Administrative expenses	3	(5,291,966)	(5,837,426)
Operating loss		**(5,332,588)**	**(5,838,413)**
Finance income	3	8,211	-
Finance costs		-	-
Loss before tax		**(5,324,377)**	**(5,838,413)**
Tax (expense) benefit		947,160	-
Loss for the period		**(4,377,217)**	**(5,838,413)**
Other comprehensive profit / (loss)			
Items that may be reclassified to profit and loss			
Change in fair value of available for sale financial assets		2,273,041	(2,567,648)
Exchange differences on translation of foreign operations		3,020,881	(833,255)
Other Comprehensive (loss) / profit, net of tax		**5,293,922**	**(3,400,903)**
Total comprehensive (loss) / income for the period		**916,705**	**(9,239,316)**
Loss for the period attributable to:			
Owners of the parent company		(4,302,955)	(5,814,728)
Non-controlling interest		(74,262)	(23,685)
Loss for the period		**(4,377,217)**	**(5,838,413)**
Total comprehensive profit / (loss) for the period is attributable to:			
Owners of the parent company		367,951	(8,729,411)
Non-controlling interest		548,754	(509,905)
Total comprehensive (loss) / income for the period		**916,705**	**(9,239,316)**

	Notes	Three months ended 30 September 2018 Cents (unaudited)	Three months ended 30 September 2017 Cents (unaudited)
Basic earnings per share		(0.3)	(0.4)
Diluted earnings per share		(0.3)	(0.4)

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 30 SEPTEMBER 2018

	Notes	30 September 2018 A$ (unaudited)	30 June 2018 A$ (audited)
Assets			
Property, plant and equipment		6,716,649	4,278,038
Intangible assets	5	169,049,881	142,882,867
Investment in available for sale securities	6	8,692,610	5,445,408
Loans receivable and other non-current assets		1,213,934	1,207,745
Total non-current assets		**185,673,074**	**153,814,058**
Other receivables and prepayments		4,530,495	4,230,054
Cash and cash equivalents		54,472,020	81,825,617
Total current assets		**59,002,515**	**86,055,671**
Total assets		**244,675,589**	**239,869,729**
Equity			
Share capital	7	29,513,563	29,513,563
Share premium	7	273,572,301	273,572,301
Other reserves		32,600,614	23,741,415
Accumulated loss		(100,632,163)	(96,329,208)
Equity attributable to owners of the parent company		235,054,315	230,498,071
Non-controlling interest		486,747	(62,007)
Total equity		**235,541,062**	**230,436,064**
Liabilities			
Trade and other payables		9,134,527	9,433,665
Total current liabilities		**9,134,527**	**9,433,665**
Total liabilities		**9,134,527**	**9,433,665**
Total equity and liabilities		**244,675,589**	**239,869,729**

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 30 SEPTEMBER 2018

	Share capital A$	Share premium A$	Available for Sale Financial Asset Reserve A$	Share option reserve A$	Foreign currency translation reserve A$	Other Reserves A$	Accumulated losses A$	Total A$	Non-controlling interests A$	Total equity A$
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 expired	-	-	-	-	-	-	-	-	-	-
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)**	**159,086,924**	**(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 30 SEPTEMBER 2018

	Share capital A$	Share premium A$	Available for Sale Financial Asset Reserve A$	Share option reserve A$	Foreign currency translation reserve A$	Other Reserves A$	Accumulated losses A$	Total A$	Non-controlling interests A$	Total equity A$
Balance 30 June 2018	29,513,563	273,572,301	2,534,294	17,045,704	4,297,549	(136,132)	(96,329,208)	230,498,071	(62,007)	230,436,064
Loss for the period	-	-	-	-	-	-	(4,302,955)	(4,302,955)	(74,262)	(4,377,217)
Other comprehensive income for the period	-	-	2,273,041	-	2,397,865	-	-	4,670,906	623,016	5,293,922
Total comprehensive income for the period	-	-	2,273,041	-	2,397,865	-	(4,302,955)	367,951	548,754	916,705
New share capital subscribed	-	-	-	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-	-	-	-
Options expired	-	-	-	-	-	-	-	-	-	-
Value of options issued to employees and consultants	-	-	-	4,188,293	-	-	-	4,188,293	-	4,188,293
Balance 30 September 2018	**29,513,563**	**273,572,301**	**4,807,335**	**21,233,997**	**6,695,414**	**(136,132)**	**(100,632,163)**	**235,054,315**	**486,747**	**235,541,062**

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 30 SEPTEMBER 2018

	Notes	Three months ended 30 September 2018 A$ (unaudited)	Three months ended 30 September 2017 A$ (unaudited)
Cash flows from operating activities			
Loss for the period		(4,377,217)	(5,838,413)
Depreciation		262,983	12,027
Share based payments expense		4,188,293	2,247,574
Write-off of exploration expenditure		40,622	987
Foreign exchange (gain)/loss		(1,487,843)	1,672,810
Deferred taxes		(974,160)	-
(Increase) decrease in other receivables and prepayments		(300,422)	(408,318)
Increase (decrease) in trade and other payables		938,180	160,460
Net cash outflow from operating activities		**(1,709,564)**	**(2,152,873)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(2,701,594)	(416,023)
Payments for security deposits		(6,189)	(90,025)
Acquisition of exploration and evaluation assets		(24,424,093)	(7,859,236)
Net cash (outflow)from investing activities		**(27,131,876)**	**(8,365,284)**
Cash flows from financing activities			
Proceeds from the issue of ordinary share capital		-	1,353,393
Payment of issue costs		-	-
Proceeds from borrowings		-	-
Net cash (outflow) inflow from financing activities		**-**	**1,353,393**
Net (decrease) increase in cash and cash equivalents		**(28,841,440)**	**(9,164,764)**
Cash and cash equivalents at beginning of period		81,825,617	89,312,743
Effects of exchange rate changes on cash and cash equivalents		1,487,843	(1,672,810)
Cash and cash equivalents at end of period		**54,472,020**	**78,475,169**

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 30 SEPTEMBER 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This general purpose interim condensed consolidated financial report for the three-month period ended 30 September 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 2018 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 2018 and considered together with any public announcements made by SolGold plc and its controlled entities during the during the three months ended 30 September 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$49,867,988 (30 June 2018: A$76,622,006).

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 30 SEPTEMBER 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 30 September 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 30 SEPTEMBER 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 30 SEPTEMBER 2018

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.

Effective period commencing on or after		
IFRS 16	Leases	1 Jan 2019
IFRS 17[1]	Insurance contracts	1 Jan 2021

[1] Not yet adopted by the European Union

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.

Management has made a preliminary assessment of the effects of applying IFRS 16 on the Group's financial statements and has determined that it is likely to have an immaterial impact in the future periods.

IFRS 17 Insurance contracts
The new standard was issued in May 2017. IFRS 17 requires a current measurement model, where estimates are remeasured in each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin. Management has made a preliminary assessment of the effects of applying IFRS 17 on the Group's financial statements and has determined that it is likely to have an immaterial impact in the future periods.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 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 discreetly, together with an aggregated corporate and administrative cost centre.

30 September 2018 (unaudited)	Finance Income	Depreciation	Impairment of E&E	Loss for the period	Assets	Liabilities	Share Based Payments	Non-current asset additions
	A$	A$	A$	A$	A$	A$	A$	A$
Cascabel project *	-	249,323	-	(495,079)	147,991,841	6,289,419	-	25,762,466
Other Ecuadorian projects	44	-	40,622	(98,761)	21,151,171	693,895	-	2,620,367
Other projects	-	-	-	(7,614)	13,641,068	121,800	-	235,252
Corporate	8,167	13,660	-	(3,775,573)	61,891,509	2,029,413	4,188,293	3,240,935
Total	**8,211**	**262,983**	**40,622**	**(4,377,217)**	**244,675,589**	**9,134,527**	**4,188,293**	**31,859,020**

30 June 2018 (audited)	Finance Income	Depreciation	Impairment of E&E	Loss for the period	Assets	Liabilities	Share Based Payments	Non-current asset additions
	A$	A$	A$	A$	A$	A$	A$	A$
Cascabel project *	-	31,882	-	(1,106,535)	120,947,506	6,810,450	-	70,927,717
Other Ecuadorian projects	211	-	376,148	(395,447)	18,882,929	636,681	-	14,101,256
Other projects	66	349	890	(83,249)	13,339,245	112,484	-	804,462
Corporate	677,615	48,223	-	(18,097,829)	86,700,049	1,874,050	10,568,889	(8,112,898)
Total	**677,892**	**80,454**	**377,038**	**(19,683,060)**	**239,869,729**	**9,433,665**	**10,568,889**	**77,720,537**

30 September 2017 (unaudited)	Finance Income	Depreciation	Impairment of E&E	Loss for the period	Assets	Liabilities	Share Based Payments	Non-current asset additions
	A$	A$	A$	A$	A$	A$	A$	A$
Cascabel project *	-	-	-	(157,897)	57,898,513	3,248,269	-	7,746,909
Other Ecuadorian projects	-	-	-	-	5,990,598	618,523	-	2,235,022
Other projects	-	104	987	(391)	12,974,611	20,746	-	12,040
Corporate	-	11,992	-	(5,680,125)	87,029,614	1,671,715	2,247,574	(2,384,987)
Total	**-**	**12,096**	**987**	**(5,838,413)**	**163,893,336**	**5,559,253**	**2,247,574**	**7,608,984**

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

NOTE 2 OPERATING SEGMENTS (CONTINUED)

Geographical information

Non-current assets	30 September 2018 A$	30 June 2018 A$
UK	-	-
Australia	20,894,434	17,418,251
Solomon Islands	-	-
Ecuador	164,778,640	136,395,807
	185,673,074	**153,814,058**

NOTE 3 OPERATING LOSS

	Three months ended 30 September 2018 A$ (unaudited)	Three months ended 30 September 2017 A$ (unaudited)
The operating loss is stated after charging (crediting)		
Interest revenue – external parties	8,211	-
	8,211	**-**
Administrative and consulting expenses	(1,946,683)	(1,498,491)
Employment expenses	(341,645)	(291,101)
Depreciation	(262,983)	(12,027)
Legal expenses	(40,205)	(115,423)
Foreign exchange (losses)/gains	1,487,843	(1,672,810)
Share based payments	(4,188,293)	(2,247,574)
	(5,291,966)	**(5,837,426)**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

NOTE 4 LOSS PER SHARE

	Three months ended 30 September 2018 (unaudited)	Three months ended 30 September 2017 (unaudited)
Calculation of basic and diluted loss per share is in accordance with IAS 33 *Earnings per Share.*		
Loss per ordinary share		
Basic loss per share (cents per share)	(0.3)	(0.4)
Diluted loss per share (cents per share)	(0.3)	(0.4)
Net loss used in calculating basic and diluted loss per share (A$)	(4,302,955)	(5,814,728)
	Number	**Number**
Weighted average number of ordinary share used in the calculation of basic loss per share	1,696,245,686	1,515,763,377
Weighted average number of dilutive options	13,634,567	10,922,301
Weighted average number of ordinary shares used in the calculation of diluted loss per share	1,709,880,253	1,526,685,679

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

NOTE 5 INTANGIBLE ASSETS

	Deferred exploration costs A$
Cost	
Balance at 1 July 2017	**111,470,621**
Effect of foreign exchange on opening balances	1,567,846
Additions	81,968,954
Balance at 30 June 2018 (audited)	**195,007,421**
Effect of foreign exchange on opening balances	2,751,720
Additions	23,455,916
Balance at 30 September 2018 (unaudited)	**221,215,057**
Impairment losses	
Balance at 1 July 2017	**(51,747,516)**
Impairment charge	(377,038)
Balance at 30 June 2018 (audited)	**(52,124,554)**
Impairment charge	(40,622)
Balance at 30 September 2018 (unaudited)	**(52,165,176)**
Carrying amounts	
At 30 June 2017	59,723,105
At 30 June 2018	142,882,867
At 30 September 2018 (unaudited)	**169,049,881**

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

	30 September 2018 A$ (unaudited)	30 June 2018 A$ (audited)
Movements in available for sale assets		
Opening balance at the beginning of the reporting period	5,445,408	14,366,304
Fair value adjustment through other comprehensive income	3,247,202	(8,920,896)
Closing balance at the end of the reporting period	**8,692,610**	**5,445,408**

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.

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
30 September 2018 (unaudited)				
Available for sale financial assets	8,692,610	-	-	8,692,610
30 June 2018 (audited)				
Available for sale financial assets	5,445,408	-	-	5,445,408

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

NOTE 7 SHARE CAPITAL

	Three months ended 30 September 2018 A$ (unaudited)	Twelve months ended 30 June 2018 A$ (audited)
a) Issued capital and share premium		
Ordinary shares fully paid up	**302,147,420**	**302,147,420**
b) Movement in ordinary shares		
At the beginning of the reporting period	302,147,420	225,698,701
Shares issued during the period	-	78,406,209
Transaction costs on share issue	-	(1,957,490)
At reporting date	**302,147,420**	**302,147,420**

	Three months ended 30 September 2018 Number (unaudited)	Twelve months ended 30 June 2018 Number (audited)
c) Movement in number of ordinary shares on issue		
Shares at the beginning of the reporting period	1,696,245,686	1,512,955,686
- 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	1,696,245,686

NOTE 8 SHARE OPTIONS

At 30 September 2018 the Company had 109,853,768 options outstanding for the issue of ordinary shares (30 September 2017: 88,353,768).

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

NOTE 8 SHARE OPTIONS (CONTINUED)

Share options issued

There were 21,500,000 options granted during the period ended 30 September 2018 (30 September 2017: 46,762,000).

On 5 July 2018, the Company issued a combined total of 21,500,000 unlisted share options over ordinary shares of the Company, including:

- 21,250,000 share options to employees. The options are exercisable at £0.40 and expire on 4 July 2020; and
- 250,000 share options to a contractor. The options are exercisable at £0.60 and expire on 4 July 2021.

The share options outstanding at 30 September 2018 are as follows:

Date of grant	Exercisable from	Exercisable to	Exercise prices	Number granted	Number at 30 September 2018
17 October 2016	The options vested immediately and exercisable through to 17 October 2018	17 October 2018	£0.14 £0.28	9,795,884 9,795,884	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
28 July 2017	The options vest on the earlier of: (a) 18 months, or (b) a Change of Control Transaction	8 August 2020	£0.60	36,750,000	36,750,000
9 August 2017	The options vested immediately, exercisable through to 8 August 2020	8 August 2020	£0.60	10,012,000	10,012,000
5 July 2018	The options vested immediately and exercisable through to 4 July 2020	4 July 2020	£0.40	21,250,000	21,250,000
5 July 2018	The options vested immediately and exercisable through to 4 July 2020	4 July 2021	£0.60	250,000	250,000
				109,853,768	**109,853,768**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 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 30 September 2018	Number of options 30 September 2018	Weighted average exercise price 30 September 2017	Number of options 30 September 2017
Outstanding at the beginning of the period	£0.45	88,353,768	£0.25	44,191,768
Exercised during the period	-	-	£0.21	(2,600,000)
Lapsed during the period	-	-	-	-
Granted during the period	£0.40	21,500,000	£0.60	46,762,000
Outstanding at the end of the period	£0.44	109,853,768	£0.45	88,353,768
Exercisable at the end of the period	£0.30	63,103,768	£0.21	19,591,768

The options outstanding at 30 September 2018 have exercise prices of £0.14, £0.28, £0.40 and £0.60 (30 September 2017: £0.14, £0.28, and £0.60) and a weighted average contractual life of 1.77 years (30 September 2017: 2.01 years).

Share options held by Directors are as follows:

Share options held	At 30 September 2018	At 30 September 2017	Option Price	Exercise Period
Nicholas Mather	26,250,000	26,250,000	60p	07/02/19 – 08/08/20
Brian Moller	3,750,000	3,750,000	60p	07/02/19 – 08/08/20
Robert Weinberg	2,250,000	2,250,000	60p	07/02/19 – 08/08/20
John Bovard	2,250,000	2,250,000	60p	07/02/19 – 08/08/20
Craig Jones	2,250,000	2,250,000	60p	07/02/19 – 08/08/20

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 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	£0.60 Options 9 August 2017	£0.60 Options 5 July 2018	£0.40 Options 5 July 2018
Number of options	46,762,000	250,000	21,250,000
Fair value at issue date	£0.365-£0.375	£0.22	£0.22
Exercise price	£0.60	£0.60	£0.40
Expected volatility	89.714%	80.475%	74.187%
Option life	3.00 years	3.00 years	2.00 years
Expected dividends	0.00%	0.00%	0.00%
Risk-free interest rate (short-term)	0.461%	0.96%	0.96%
Valuation methodology	Black-Scholes	Black-Scholes	Black-Scholes
	A$	**A$**	**A$**
Share based payments expense recognised in statement of comprehensive income	2,151,819	28,136	2,008,338
Share based payments expense recognised as share issue costs	-	-	-
Share based payments expense to be recognised in future periods	2,855,718	-	-

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.

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 three-month period ended 30 September 2018 A$100,000 was paid or payable to Samuel (2017: A$100,000). The total amount outstanding at 30 September 2018 was A$ nil (30 September 2017: A$ nil, 30 June 2018: A$16,667).

(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$90,000 (2017: A$90,000) for the provision of administration, management and office facilities to the Company during the three months ended 30 September 2018. The total amount outstanding at 30 September 2018 is A$ nil (30 September 2017: A$ nil, 30 June 2018 A$94,844).

(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$95,787) for the provision of legal services to the Company during the three-month period ended 30 September 2018. These services were based on normal commercial terms and conditions. The total amount outstanding at 30 September 2018 is A$4,421 (30 September 2017: A$18,558, 30 June 2018 A$ nil).

(iv) Mr James Clare (a Director), is a partner in the Canadian firm Bennett Jones lawyers. For the three months ended 30 September 2018, Bennett Jones were paid A$46,703 for the provision of legal services to the Company. The services were based on normal commercial terms and conditions. The total amount outstanding at 30 September 2018 is A$ nil (30 September 2017: A$ nil, 30 June 2018 A$ nil).

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. The smelter royalty is considered to be a contingent liability as the Group has not yet completed a pre-feasibility study at 30 September 2018 as such there is significant uncertainty over the timing of any payments that may fall due.

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. At 30 September 2018, Cornerstone's equity interest in ENSA had not diluted below 10%.

On 21 August 2017, Major Drilling Group International Ecuador (hereinafter "Major") filed an arbitration claim before the Arbitration Center of the Quito Chamber of Commerce against Exploraciones Novomining S.A. ("the Company") for the amount of US$350,000. Major alleged a breach of the drilling contract signed by the parties on 22 September 2016 (hereinafter "Agreement"). On 1 September 2017 the Company filed a counterclaim against Major for the amount of US$ 360,000 for compensation for damages caused by Major. No provision for any liability has been made in these financial statements beyond the existing trade payable and no receivable has been recognised in connection with the Company's counter claim.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2018

NOTE 11 SUBSEQUENT EVENTS

On 4 October 2018, the Company issued 550,000 new ordinary shares as a result of the exercise of share options by one of the Company's employees.

On 11 October 2018, the Company issued 19,591,768 new ordinary shares as a result of the exercise of share options, half exercisable at 14p and half exercisable at 28p, pursuant to the agreement with Maxit Capital LP.

On 17 October 2018, the Company issued 100,000,000 ordinary shares 45p to raise £45 million to BHP Billiton Holdings Limited ("BHP").

On 29 October 2018, the Company issued 20,624,553 new ordinary shares as a result of the exercise of 28p options previously issued to employees of the Company in 2016.

On 6 November 2018, the Company issued 82,875,000 unlisted options to employees. The options have a strike price of £0.60 and are exercisable through to 4 November 2021.

On 8 November 2018, the Company issued 2,596,826 new ordinary shares at £0.3888 to BHP Billiton Holdings Limited ("BHP") pursuant to "top-up rights" held by BHP. The allotment price was based on the 10 day VWAP, in accordance with the terms of the BHP Subscription Agreement.

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 30 September 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
13 November 2018