



Solomon Gold plc

AIM Announcement

5 July 2007

Exploration Update

Highlights

- Six holes completed Sutakiki East
- Best intersection in SK001 - 309 m @ 0.54 g/t gold
- Strong geophysical signatures in Sutakiki West
- Strong stream sediment gold signatures Sutakiki West
- Holes SK007 and 008 reach 433 and 381 m depth on June 26
- 3.45 g/t gold in diatreme breccias indicate strong porphyry system
- Uluda Egg defines dome over intrusive porphyry - 11 holes for 6600 m planned
- Third drill rig commissioned in Koloula valley, drilling Mbina gold zone.

Solomon Gold has completed the first six diamond drill holes for 3,168 m on the Sutakiki project, 30 km south east of the capital Honiara on Guadalcanal in Solomon Islands. Solomon Gold holds a 100% interest in the project area through its 100% owned subsidiary, Australian Resource Management Pty Ltd.

Maps outlining the drilling programme referred to in this announcement may be accessed on Solomon gold's website www.solomongold.com

Sutakiki

The Sutakiki project area was highlighted by the occurrence of high order stream sediment anomalies during surveying by Newmont in 1989 and was followed up by Solomon Gold in July 2006. The discovery outcrop in the Sutakiki River, some 1.5 km up the Sutakiki River from the early anomalous sample site (73 ppb gold), yielded gold mineralization of 85 metres @ 0.8 g/t gold. Subsequent mapping and sampling yielded gold results up to 1090 g/t from quartz vein systems in Taborora Creek above the discovery outcrop. Regional mapping and sampling yielded grades up to 65 g/t gold in veins in a zone up to 600 m east of the discovery zone (Eastern Zone). Drillholes SK001 (as per the table below) to SK006 inclusive were drilled on the vein system over the Eastern Zone between December 2006 and mid May and the significant results are tabulated in Table 1.

A total of 3,168m has been drilled in 6 completed holes in the Sutakiki Valley to date by Solomon Gold.

Drillhole	From (m)	To (m)	Interval (m)	Gold grade g/t	Copper grade %
SK001	88	93	5	0.44	
SK001	291	600	309	0.54	0.135
Including	445	447	2	12.43	
SK002	147	149	2	1.1	
SK002	167	168	1	0.91	
SK002	198	201	3	3.44	
SK002	302	303	1	1.23	
SK002	389	392	3	1	
SK003	23	24	1	0.62	
	36	37	1	0.82	
	78	80	2	3.35	
	159	160	1	0.71	
SK004	59	60	1	2.08	
	167	169	2	0.84	
	170	172	2	0.53	
	175	176	1	0.78	
	218		2	0.52	
	225		1	0.54	
	250		1	0.47	
	266		1	0.73	
SK005	17	47	30	0.5	
SK006	226		9	0.6	
	308		4	0.85	
	319		1	1.83	
	375		8	0.55	
	462		6	0.58	
	483		1	1.07	
	491		1	1.29	

Sutakiki West

In early March 2007 the company identified an extension to the mineralized system up to a further 1.5 km west of the discovery outcrop. For this reason a drilling program was planned to work westwards to investigate the western half of the Sutakiki porphyry system (Sutakiki West), to take place after the assessment of the vein system intersected in SK001. The first of the holes in the program to test Sutakiki West, drillholes SK 007 and 008 are underway and as at June 26 were at 433 m and 381 m depth respectively. Initial inspection of these cores indicates that the intensity of alteration and mineralization of the host rocks is increasing to the west.

Uluda Egg

The exploration activities continue to return results that indicate that West Sutakiki may represent a large mineralized porphyry system. West Sutakiki is characterized by a zone of high order potassium anomalies, coincident with aeromagnetic features and copper and gold anomalies in rock chip samples which are evident over an elliptical area of 750 m long (n-s) by 500 m wide (e-w).

Strong potassium anomalies, coincident with magnetic features and gold and copper anomalies in streams and intrusive or "diatreme" breccias are features commonly diagnostic of the presence of mineralized intrusive porphyry systems. At Sutakiki West, these features are believed to represent the domed top of the core of a mineralized intrusive porphyry system. This feature has been named the "Uluda Egg".

The occurrence of high order bulk leach stream sediment anomalies of 1350 ppb gold, approximately 20 times richer than the original anomaly downstream, the high potassium anomalies in the area and the coincident discovery of mineralized intrusive or "diatreme" breccias assaying 3.45 g/t gold 14.5 g/t silver and 0.17% copper on Vurakidi (ph "Vuarkindi") Creek, define the Uluda Egg as a high priority target area. Drill holes SK009 and SK010 are targeted to penetrate beneath the core of the potassium anomaly, 375 metres south east of the Vurakidi intrusive breccia outcrop. Solomon Gold geologists have identified a series of suitable drill pad locations around the north and north west sides of the Uluda Egg and a further 7 drillholes SK011 to SK017 are planned to test the northern half of that feature.

Faulting and shearing on the east-west oriented Suta fault is responsible for the emplacement of the Sutakiki Vein system in the discovery outcrop, in Taborora Creek above the discovery outcrop and in Valehailala Creek, running north of the Sutakiki River from the discovery outcrop. Gold grades up to 2.5 g/t have been recovered out of banded epithermal high level veins from the top of Valehailala Creek and a drill pad has been constructed to test the vein system in this locality.

Third Rig for the Koloula Valley

Solomon Gold has engaged a third drilling rig to test the gold zones on the east side of the Mbina Porphyry system in the Koloula Valley, south of Sutakiki. Five holes are planned over the next five months to test a 1.5 km x 300m zone. Recent mapping and sampling outlined a 1.5 metre wide low temperature epithermal vein, assaying 9.34 g/t gold, 0.94% copper with high zinc, antimony and tellurium anomalies in the northern portion of the Mbina zone and this will be tested with the first drillhole KL 001. Previous rock chip channel samples in the zone have returned 125 m @ 0.5g/t gold

and 0.23% copper along the Koloula River. Following the Mbina program the rig is scheduled to drill two holes at the Chikora prospect at the southern end of the Koloula Valley. Previous drill testing at Chikora was vertical and is thought to have not adequately tested for mineralization in vertical veins, or gold or molybdenum mineralization. Recent sampling by Solomon Gold in the area immediately north east of Chikora outlined free molybdenite mineralization in quartz veins, thought to be related to the Chikora porphyry.

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About Solomon Gold plc

The Solomon Gold exploration program on Guadalcanal is based in Honiara where the company has established an office from which to manage the field program, including government and landholder liaison, logistics, technical and data management and sample preparation and despatch centre. Solomon Gold stores a split half of the cores from the drilling program for future reference and referee testing and use in future studies including feasibility programs.

Databases are managed in-house and backed up independently and externally. The exploration program is staffed by both local and highly experienced expatriate geologists and headed by Mr Jason Ward, Exploration Manager for Solomon Gold and the local operating subsidiary, Australian Resource Management (A.R.M.) Pty Ltd ('ARM'). Solomon Gold has, through ARM, held licenses over the most prospective ground on Guadalcanal since 1995 and enjoys the support of the local communities with which the company has developed mutually cooperative and supportive relationships over the last ten years.

The program is now augmented by the services of two drilling contractors operating a total of three rigs for Solomon Gold, and a helicopter service contract.

It is the current intention of Solomon Gold to define a world class porphyry copper gold deposit with an overprinted epithermal gold deposit and ultimately bring it to production. Solomon Gold has access to the required exploration development and financing skills to achieve this goal. The south western Pacific Rim of Fire is host to a number of ore bodies which have hosted in excess of 40 million ounces of gold and copper as gold equivalent. These projects exemplify the potential evident at Sutakiki.

Solomon Gold has 26.5 million shares in issue having completed a capital raising of £5 million and listing on AIM in February 2006.

Qualified Person

Information in this report relating to the exploration results is based on data reviewed by Mr Nicholas Mather (B.Sc. Hons Geol.), the Chief Executive Officer of the Company. Mr Mather is a Fellow of the Australasian Institute of Mining and Metallurgy who has in excess of 25 years experience in mineral exploration and is a Qualified Person under the AIM Rules. Mr Mather consents to the inclusion of the information in the form and context in which it appears.