



Solomon Gold plc

19 November 2008

Announcement to London Stock Exchange

Solomon Gold Placement of 11.7 Million Shares at £0.03 to Raise £350,000

The Directors of Solomon Gold Plc advise that the Company has signed commitments for a placement of 11,666,667 shares at 3p per share for gross proceeds of £350,000 Pounds. The shares are to be issued on 21 November 2008. The funds raised are to be applied to Solomon Gold's exploration program on Guadalcanal in Solomon Islands.

About Solomon Gold plc

Solomon Gold holds extensive tenements on the main Island of Guadalcanal, Solomon Islands, for minerals exploration, focusing on copper and gold rich porphyry systems and high grade epithermal gold mineralisation. The Company listed on AIM on 10 February 2006 after a £5m capital raising. The Company has identified approximately 30km² of mineralisation indicative of significant porphyry copper gold and epithermal gold mineralisation systems. Solomon Gold believes the area located on the southwest Pacific Rim to host potential for the discovery of a world class copper gold porphyry system similar to other large ore bodies in the region such as Ok Tedi, Grasberg and Bougainville which host resources in excess of 40m oz of gold equivalent as gold and copper. The Company is staffed by an active team of expatriate and Solomon Island geologists and field hands, supported by integrated logistics support services.

In late 2007 the Company announced an intersection of 32m @ 9.45 g/t gold from 108m in drill hole SK011 at Sutakiki in the centre of the broadly mineralised intrusive zone.

In December 2007 Solomon Gold raised a further £3.5m to continue working on the Guadalcanal projects.

It is the current intention of Solomon Gold to define a world class porphyry copper gold deposit with an overprinted high grade 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 high grade gold mineralisation encountered in the recent drilling at Sutakiki is characteristic of high grade gold deposits related to mineralised transform structures in Papua New Guinea and the Indonesian archipelago.

Director Interests

The Directors (either directly or indirectly) are participating in the share placement on the same terms of all other participants. Whilst the issue of shares to the Directors in the placement is below the threshold to be considered a "related party" transaction pursuant to the AIM Rules for Companies (Rule 13), the Board has consulted with the Company's nominated adviser, RFC Corporate Finance Ltd, who has advised that the terms of the Directors participation in the Placing are fair and reasonable insofar as its shareholders are concerned. The table below sets out each participating director's interests on Ordinary Shares of the Company before and after the share placement (shares to be issued 21 November 2008).

Participating Director	Current shareholding	% total	Placement	Shareholding following placement	% total
Cameron Wenck	232,045	0.5%	266,667	498,712	0.9%
Nicholas Mather	2,905,680*	6.6%	2,896,667*	5,802,347	10.4%*
Brian Moller	210,518	0.5%	262,300	472,818	0.8%
Robert Weinberg	82,556	0.2%	166,667	249,223	0.4%
Total Company	44,325,001		11,666,667	55,991,668	

*Note: 2,896,667 placement shares are being acquired by Samuel Holdings Pty Ltd <Samuel Discretionary A/C>, a related party to Mr Mather. Following the placement, Samuel Holdings Pty Ltd <Samuel Discretionary A/C> will hold 5,256,140 shares representing 9.4% of the Company's issued shares, a significant shareholding.

Significant shareholders

As a result of the Placement, the Company is aware of the following changes in significant shareholdings:

Significant shareholder	Current shareholding	% total	Shareholding following placement	% total
Tenstar Trading Limited	2,225,766	5.0%	4,892,433	8.7%
Cat Brokerage AG	1,388,000	3.1%	1,388,000	2.5%

By order of the Board
Kevin Nagle
Company Secretary

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