



# Solomon Gold plc

19 May 2009

## Announcement to London Stock Exchange

### Exploration Update

#### Highlights:

- **Commencement of field activities on March 23, 2009 following execution of definitive Agreement with Newmont Ventures Limited, a wholly owned subsidiary of Newmont Mining Corporation (NYSE:NEM) (“Newmont”).**
- **Mapping and sampling programs at Vurakara, Chikora, Chupukama.**
- **Encouraging surface float and outcrop samples between Vurakara and Chikora exhibiting porphyry style bornite copper sulphide mineralization.**
- **Identification of alteration and mineralization zones on western side of Chupukama.**
- **Detailed remote satellite imagery enhances field program efficiency.**
- **Planning for airborne electro magnetic data reacquisition advanced.**

The Board of Solomon Gold PLC (“Solomon Gold” or “Company”) is pleased to provide the following update on exploration progress on its Guadalcanal, Solomon Islands exploration project.

Solomon Gold holds five exploration licences on Guadalcanal considered to be highly prospective for high tonnage copper gold orebodies. The project lies on trend with several major south west Pacific copper gold orebodies at Panguna, Bougainville (Papua New Guinea) and Lihir Island PNG which host in excess of 40m oz Au equivalent resources. Solomon Gold has to date expended some A\$18 million on the project area.

Field work commenced on 23<sup>rd</sup> March 2009 with two key senior Newmont secondees with significant porphyry copper experience. The work undertaken to date has focused on the mapping and sampling of the Vurakara prospect, 1km north east of the Chikora copper prospect in the Koloula valley, on the south coast of Guadalcanal. At Vurakara, a strongly magnetic intrusive body coincident with strong copper gold and molybdenum anomalies is thought to have porphyry significance. Recent mapping and sampling work in drainage systems has identified strong copper mineralization in altered porphyry rock boulders located between Chikora and Vurakara. The mineralisation is currently the subject of trenching and sampling programs over a broad area of interest extending in several hundred metres in all directions, the results of which are not expected for several weeks. Location maps and photographs are posted on the Solomon Gold website [www.solomongold.com](http://www.solomongold.com)



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At Chupukama, in central Guadalcanal, follow up mapping and sampling of additional landslides and outcrops identified from satellite imagery has located areas of strong silica clay and pyrite alteration and mineralization in the volcanic host rocks. These areas are located on the western side of Chupukama Ridge, where mapping and sampling by Solex and Freeport in 1990 outlined extensive areas of gold mineralization, exposed in landslides. Zones of up to 50m@1.63g/t gold and 55m@2.39g/t gold (including 5m@11g/t gold) were recorded. Magnetic interpretation has identified additional intrusive systems and alteration halos covering approximately 1km<sup>2</sup> centred 1km to the west of the centre of Chupukama. The drainage area was sampled by Solex and Freeport, and panned concentrate samples up to 10.9g/t gold or 10 times background were recorded from the west side of Chupukama, draining both intrusive systems. This area has never previously been mapped or sampled and the altered volcanic package located in the area appears to show the same characteristics as the gold mineralized eastern side. Sample analyses from this program are expected within four (4) weeks. Location maps and photographs are posted on the Solomon Gold website [www.solomongold.com](http://www.solomongold.com)

Planning is advancing for the reacquisition of airborne electromagnetic data over mineralized intrusive centres, using state of the art Newmont proprietary techniques and interpretation, which is prognosed to be pivotal in the discovery of mineralized copper gold porphyry systems.

The Solomon Gold - Newmont Venture is planning at least 2,800 metres of drilling in this 2009 calendar year to test the best targets defined in the current round of mapping, sampling and target generation.

## About Solomon Gold

Solomon Gold listed on the London AIM exchange in early 2006 following a £5m IPO raising. The Company was floated by the listed ASX resource generation house D'Aguilar Gold Ltd (ASX:DGR). Solomon Gold currently has 67m shares on issue and the Board and management hold approximately 25%.

Since inception, Solomon Gold and its subsidiary, Australian Resource Management (ARM) Pty Ltd have expended approximately A\$18m on the search for a giant gold copper porphyry system. The Company currently holds tenement interests over 612km<sup>2</sup> of land covering highly prospective terrane on the southwest Pacific rim of fire, a region known for very large copper gold porphyry deposits, such as Grasberg, Lihir, Bougainville, Ok Tedi and Batu Hijau in Indonesia. In 1989, the Australasian Geoscience Organisation, in a regional assessment of prospectivity, concluded that the Solomon Islands was "highly prospective for mineral deposits and was the next most highly mineralised country in the South Pacific after Papua New Guinea."

Solomon Gold's prior programs established an understanding of the geology of the area and the Company procured a substantial geological, geochemical and airborne magnetic database over the tenements. The data collected indicated a very strong potential for large porphyry copper gold deposits. The Company drilled 14,000 metres of core, resulting in its best intersection, in late 2007, of 32m@9.45g/t gold in drillhole SK11 in the Sutakiki Valley, 30km south east of Honiara.



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As a result of the development of long term relationships with the local people on Guadalcanal, Solomon Gold enjoys unprecedented access to areas never previously explored. The Company established and maintains a fully operational base in Honiara, and field capabilities in central Guadalcanal.

On 5<sup>th</sup> March 2009, Solomon Gold announced its definitive agreement with Newmont in respect of a farm-in under which Newmont can earn 51% of the project area by expending US\$6 million within three (3) years, and a further US\$6 million within a further two (2) years to earn a further 19% to reach a 70% total interest. Thereafter, Solomon Gold could elect to contribute its own funds on a pro rata basis, or require Newmont to debt fund the Solomon Gold share in the project to production, for a further 10% interest in the Solomon Gold – Newmont Venture.

The Solomon Gold board considers Newmont's interest in Guadalcanal Island as a significant demonstration of support for the prospectivity of Solomon Gold's projects on Guadalcanal Island. Newmont is one of the world's leading gold project development and operating companies, with considerable experience in the south west Pacific and Indonesia.

Solomon Gold continues to hold a 100% interest in the gold project exploration licence on Fauro Island near Bougainville, and nickel exploration tenements on Ngella Island in the Florida's Group north of Honiara and on eastern Guadalcanal.

The Solomon Islands Mining Act provides for an orderly regulatory environment under which to conduct exploration programs. Solomon Islands is governed by a Westminster style elected parliament and enjoys the assistance and support of a number of south west pacific nations including Australia, through RAMSI, the Regional Assistance Mission to Solomon Islands.

By order of the Board  
Karl Schlobohm  
Company Secretary

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