



Solomon Gold plc

26 June 2009

Announcement to London Stock Exchange

Solomon Gold Placement 7.5 Million Shares at £0.08 to Raise £600,000

The Board of Solomon Gold Plc ("Solomon Gold" or "Company") is pleased to advise that the Company has entered agreements for a placing of 7,500,000 shares at 8p per share for gross proceeds of £600,000 to clients of Hanson Westhouse. This placement is in addition to the placement of 10 million shares at £0.08 to raise £800,000 announced on 23 June. The shares are to be admitted by 27 July 2008. The funds raised are to be used by the Company for working capital purposes, and to further the Company's project areas outside the tenements which are the subject of the 5th March 2009 agreement with Newmont Ventures Limited, a subsidiary of Newmont Mining Corporation (NYSE:NEM, "Newmont").

Solomon Gold's main project continues to be the Guadalcanal Venture, exploring for giant copper gold ore bodies on the main island of Solomon Islands, Guadalcanal. The Agreement with Newmont over the project area is described below. On 17 June 2009, Solomon Gold announced encouraging copper gold results from the sampling at a new prospect Levisivisi. Further results are pending and a 1,300 line kilometre high-resolution airborne electromagnetic survey is underway. Solomon Gold is currently operating a USD2million program to March 2010 for the Venture.

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 612km² 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 South Pacific Applied 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 separate field capabilities in central Guadalcanal.

On 5th March 2009, Solomon Gold announced its definitive Venture Agreement with Newmont Ventures Limited, a subsidiary of Newmont Mining Corporation (NYSE:NEM) ("Newmont"), under which Newmont can earn 51% of the project area by expending US\$6 million within three (3) years, and may elect to expend a further US\$6 million within a further two (2) years to earn a further 19% to reach 70%. Thereafter, Solomon Gold may elect to contribute its own funds on a pro rata basis, or elect for Newmont to debt fund the Solomon Gold share in the project to mining, for which Newmont would earn a further 10% interest in the Solomon Gold – Newmont Venture. Solomon Gold would in that case be obligated to repay its 20% share of all of Newmont's costs from the 70% earn point, plus interest.

The Solomon Gold Board considers Newmont's interest in Guadalcanal as a significant demonstration of support for the prospectivity of Solomon Gold's projects on Guadalcanal. 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.

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.

By order of the Board
Karl Schlobohm
Company Secretary

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Solomon Gold plc

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