



# Solomon Gold plc

9 July 2009

## Announcement to London Stock Exchange

### Issue of Shares Director's Interests

The Board of Solomon Gold Plc ("Solomon Gold" or "Company") advises that in accordance with the announcement of 23 June 2009, the Company has today finalized the issued and admittance of 10,000,000 placement shares to private investors.

The placement successfully raised £800,000 (in addition to the £600,000 raised by Hanson Westhouse as announced on the 26 June 2009) which will 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 5<sup>th</sup> March 2009 agreement with Newmont Ventures Limited, a subsidiary of Newmont Mining Corporation (NYSE:NEM, "Newmont").

The Company now has a total of 84,541,504 shares on issue.

The Directors supported the placement, and as a result, the changes in their direct and indirect shareholding interests are outlined below.

#### Director Interests

The table below sets out each director's interests on Ordinary Shares of the Company before and after today's share placement.

Participating Director	Pre Placement Shareholding	% Total	Placement Shares Issued	Shareholding Following Placement	% Total
Cameron Wenck	498,712	0.7%	461,250	959,962	1.1%
Nicholas Mather	13,102,183	17.6%	681,250	13,783,433	16.3%
Brian Moller	472,818	0.6%	309,250	782,068	0.9%
Robert Weinberg	249,223	0.3%	62,500	311,723	0.4%
<b>Total Company</b>	<b>74,541,504</b>			<b>84,541,504</b>	

#### Significant Shareholders

Following the Placement the Company is aware of the following changes in significant shareholdings:

Significant shareholder	Previously Notified Shareholding	% Total	Current Shareholding	% Total
Samuel Holdings Pty Ltd <Samuel Discretionary A/C>	7,464,341	11.8%	6,194,311	7.3%
Nicholas & Judith Mather <Superannuation Fund A/C>	5,091,635	8.0%	7,042,915	8.3%



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## 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> 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.

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 5<sup>th</sup> 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 Fauru Island near Bougainville, and nickel exploration tenements on Ngella Island in the Florida's Group north of Honiara, and on eastern Guadalcanal.



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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

## Contacts:

**Mr Karl Schlobohm**  
Company Secretary  
Tel: +61 7 3303 0660 or [kschlobohm@solomongold.com](mailto:kschlobohm@solomongold.com)

**Mr Stephen Weir**  
RFC Corporate Finance  
Nominated Advisor  
Tel +61 2 9250 0048 or [Stephen.Weir@rfc.com.au](mailto:Stephen.Weir@rfc.com.au)