



Solomon Gold plc

8 October 2008

Announcement to London Stock Exchange

Exploration Progress Update

Solomon Gold is pleased to advise of progress on the Guadalcanal copper gold projects in Solomon Islands.

Highlights

- Access negotiated into Chupukama Ridge. Previous sampling results show 50 m mineralised zone @ 1.8 g/t gold and argillic alteration with samples ranging up to 12 g/t gold.
- Kuma prospect area has been re-accessed and additional detailed mapping and sampling commenced on anomalous zones of silica and sulphide rich cap rock, thought to be indicative of the upper zone concealing a porphyry system.
- Detailed mapping and sampling at Hambusimaloso Copper Project at Mbetilonga shows coherent 300 x 400 meter oxidized copper zone ranging up to 8.9% copper in rock chip samples.
- The airborne electromagnetic survey has commenced. The survey area has identified an enlarged area over 340km² representing approximately half of the company's tenements on Guadalcanal. The survey is targeting conductive rocks indicating potential for copper and gold mineralisation in sulphide rich mineralised zones.
- Continuing encouraging nickel values up to over 2% nickel encountered in sampling on Ngella Island, Floridas group, Solomon Islands, 10km north of Honiara

Airborne electromagnetic survey.

The airborne electromagnetic survey has commenced and is expected to be completed over the next four weeks. Data processing and interpretation is expected to be completed within a further four week period and will enable the selection of a renewed set of targets for detailed follow up mapping and sampling, prior to drill testing. The survey is being flown at a 60 meter elevation over a total distance of 4,000 line kilometers at a line spacing of 100 meters. During the electromagnetic survey, magnetic data will also be collected over the Kuma area on the east side of the Koloula tenement on the south side of Guadalcanal. Kuma has not previously been subject of a magnetics survey.

Hambusimaloso mapping and sampling

During the last quarter, detailed mapping and sampling at the Hambusimaloso prospect in the Mbetilonga tenement, 15 km south of Honiara outlined a cohesive zone of high grade copper mineralisation over a 300m x 400m area, characterised by rich copper mineralisation typical of the upper zone of a mineralised copper porphyry system. Sampling returned up to 8.53 % copper and 69 ppm Molybdenum. Up to 9.8% copper and 243 ppm molybdenum has been noted in previous rock chip sampling programs. Molybdenum is considered to be indicative of a porphyry system at depth and the presence of gypsum and anhydrite, two minerals characteristic of an oxidized cap to a porphyry system, is highly encouraging. The Company will further evaluate the prospect prior to drilling using sophisticated clay alteration mapping techniques and the interpretation of the airborne electromagnetic data.

Chupukama

The Chupukama prospect has not previously been accessed by Solomon Gold and is considered prospective for copper gold porphyry bodies and epithermal gold zones. A mineralised zone exposed in a landslide and sampled in 1997 returned a 50 meter intersection in a channel sample of 1.8 g/t gold. The intersection included high grade samples up to 12 g/t gold. Magnetic interpretation has identified a magnetic target to the west of the mineralised zone. Solomon Gold geologists are currently mapping and sampling the prospect in detail and with the airborne electromagnetic survey data are expected to define drill targets in the area.

Nickel Project, Ngella Floridas

Sampling of lateritised serpentinite greenstone zones at the Ngella Nickel Prospect has now outlined a zone over 2km long and 1km wide open to the south which contains potentially economic nickel grades of up to over 2% nickel in the lowest sample of one of the pits. Samples in pits ended in mineralisation and the Company considers that many hand dug surface pits have not reached a sufficient depth to have sampled the mineralised zone. The Company is assessing the potential for power augering of the prospect to define nickel mineralised zones at depth.

Kuma

Additional mapping and sampling of the Kuma project area is underway to define the extent and geochemistry of an extensive area of pyrite silica cap rock thought to overlie a porphyry prospect at depth. Magnetic and airborne electromagnetic data collected during the current airborne electromagnetic survey will also assist in the definition of future drill targets. The current extent of the mineralised cap rock is over 3km x 1.5 km and the zone is believed to extend to the west into the Koloula tenement.

About Solomon Gold

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.

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
DP Cornish
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