



# Solomon Gold plc

17 June 2009

## Announcement to London Stock Exchange

### Exploration Update

#### Highlights:

- **Gold and copper mineralisation at new project Levisivisi, between Chikora and Vurakara.**
- **Gold mineralization at Chupukama.**

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.

The Directors of Solomon Gold Plc wish to advise that significant copper and gold results have been received from early rock chip and drainage float sample results at the recently discovered Levisivisi prospect near Chikora in the Koloula Valley on southern Guadalcanal and at Chupukama in Central Guadalcanal.

The Levisivisi prospect has been previously referred to as the area of interest between Chikora and Vurakara and was discovered during mapping and sampling activities in the area in April, when visually obvious copper mineralization was first located. Since the first occurrences were noted by field crews, efforts in the area have centred on detailed mapping, sampling and trenching. Numerous (10 mapped to date) outcrops of variably fractured, altered, quartz veined and mineralized porphyry phases have been outlined in a 600 by 600 metre area located between Chikora and Vurakara, now known as Levisivisi. Original samples located in the area show varying levels of copper mineralization ranging up to visibly spectacular bornite mineralization; evident in photographs previously posted on the Solomon Gold website [www.solomongold.com](http://www.solomongold.com)

Analytical reports have been received for the early sampling, and confirm the high copper contents observed in samples up to (5.77% copper) and revealed anomalously high gold values up to 7.5g/t gold. Three other samples assayed 1.39% copper and 18.6g/t silver; 1.12g/t gold; and 0.56% copper. Further sample assay results are pending.

Sample	Copper	Gold	Silver
Levisivisi drainage sample	3.1	3.02	25.2
Levisivisi Ridge	5.77	7.48	33
Kolotolaka Ck Chikora	0.9	9.34	100

Outcrop is poor in the Levisivisi area as the alteration and weathering profile is well developed. Trenching is therefore an important element of the exploration strategy in the area. A further four weeks of the mapping and sampling program is planned. The entire intrusive system from Chikora to Vurakara, a distance of 2.0 km, is considered by Solomon Gold to be prospective and accordingly the mapping and sampling program is extending over this zone.



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The zone of significant gold anomalism in soils collected on ridges currently extends over 600m long and up to 300m wide over the ridge between Vurakara and Levisivisi. Additional soil sampling over the balance of the prospect area is underway.

Solomon Gold believes the topographic, textural, structural and geochemical features of the prospect signify the presence of an important copper-gold porphyry system in the area. Additional assays are awaited for additional samples collected over the zone of interest. The Solomon Gold website [www.solomongold.com](http://www.solomongold.com) shows pictures and maps of the project area at Levisivisi and surrounds.

Very strong stream sediment gold anomalies over 70ppb gold in the northern headwaters of the Koloula Valley between 4kms and 6kms north of Levisivisi are believed to be draining the epithermal gold zone related to the Chikora-Levisivisi-Vurakara porphyry zone.

The airborne Electromagnetic survey commenced on 9 June 2009 will be a pivotal tool in the understanding of the complex mineral system in this area.

At Chupukama, the Company has received assay results from the first samples collected in the recent mapping program. Solomon Gold recently reported collecting samples showing alteration and mineralization features indicative of a gold mineralized halo around a central copper porphyry core zone. The prospective mineralized zone is approximately 1km<sup>2</sup> in area and known from past sampling programs to be strongly anomalous on the east side (50m@1.63g/t and 55m@2.39g/t). The current program is focused on following up panned concentrate samples in the Tina River on the west side of the complex collected by Kia Ora Gold in the 1980s, which gave anomalous values up to 10g/t gold. Rock samples collected up tributaries in this area have returned up to 7g/t gold and in the clay and silica altered environment indicate the presence of a silica pyrite halo (around a porphyry system) prospective for gold.

On the eastern side of Chupukama in the previously mapped and sampled gold mineralised zone, a confirmatory sample returned 488g/t but is not considered to be representative. The program is continuing at Chupukama. The Company has trenched the core of the prospective zone to test a significant copper anomaly defined in 2008. Assay results for these trenches are due over the next month.

As for all the Guadalcanal prospects, the airborne electromagnetic survey recently commenced will be diagnostic.

## 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



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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.

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 Fauro 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

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