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## N E W S R E L E A S E

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### AUSTRALIAN SOLOMONS GOLD'S ALLIED GOLD TAKEOVER OFFER UPDATE

**THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES**

**TORONTO, Ontario (December 1, 2009)** - Australian Solomons Gold Limited ("ASG" or the "Company") (TSX: SGA) announces that it has received a Notice of Extension and Substantial Shareholder Notice from Allied Gold Limited (Allied) in relation to the takeover bid by Allied for all of the issued shares in ASG (the Offer). According to the supplemental Bidder's Statement the Offer was due to close at 8:00pm Monday, November 30, 2009, Toronto time. Allied has now extended the offer period to now close at 8:00pm Monday, December 14, 2009, Toronto time.

The Substantial Shareholder Notice lodged with ASG today confirms Allied has received acceptances to date of 95.18% of issued shares in ASG. The Allied Offer is for 0.85 Allied shares for each ASG share.

#### **About ASG**

ASG is developing the Gold Ridge Project, a former producing mine, located on Guadalcanal in the Solomon Islands. The mine operated from August 1998 to June 2000 and produced approximately 210,000oz gold during this period. ASG acquired the project in May 2005, completed a Feasibility Study in April 2007 to redevelop the Gold Ridge Project. ASG is currently working on finalising the financing plan in preparation for this redevelopment task and is expected to commence operations during Q1 2011. The Gold Ridge Project has a Measured and Indicated Resource base of 1.6 million ounces with an Inferred category of a further 0.5 million ounces.

#### **Cautionary Statement Regarding Forward-Looking Information**

All statements, trend analysis and other information contained in this press release relative to markets for ASG's trends in resources, recoveries, production and anticipated expense levels, as well as other statements about anticipated future events or results constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking statements are subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Some of these risks, uncertainties and other factors are described under the heading "Risk Factors" in the Company's annual information form available on [www.sedar.com](http://www.sedar.com). ASG does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change. Investors should not place undue reliance on forward-looking statements.

**The Toronto Stock Exchange has neither approved nor disapproved the contents of this press release.**

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Please note that the Head Office of ASG is located in Queensland, Australia and is 15 hours ahead of Toronto time.

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