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AUSTRALIAN SOLOMONS GOLD LIMITED POLITICAL RISK INSURANCE APPROVED

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TORONTO, Ontario – September 4, 2009 – Australian Solomons Gold Limited (“ASG” or the “Company”) (TSX: SGA) is pleased to announce that Political Risk Insurance (PRI) has been granted for use in the Gold Ridge Project. The PRI policies will be issued through the Export Finance & Investment Corporation, to cover mining equipment, power generation equipment, and hedging facilities. The approval of EFIC to provide PRI is subject to the completion of a number of conditions.

The Chairman of ASG noted “The approval of the PRI demonstrates the commitment of the Australian Government to support the development of the economy of the Solomon Islands and the importance of Gold Ridge to that economy .The grant of this policy provides great assistance to the company in finalising its financing plan.”

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 and has completed a Feasibility Study to redevelop the Gold Ridge Project. ASG is currently working on finalising its financing plan in preparation for this redevelopment task. ASG is expected to commence operations in early 2011. The Gold Ridge Project has a measured and indicated Resource base of 1.6 million ounces with an inferred category amounting to 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. 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.

A U S T R A L I A N S O L O M O N S G O L D L T D
N E W S R E L E A S E

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

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