

AUSTRALIAN SOLOMONS GOLD QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2007

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TORONTO, Ontario (12 November, 2007) – Australian Solomons Gold Limited (TSX:SGA) (“ASG” or the “Company”) today announced its Quarterly Activities Report for the period ended September 30, 2007 and provided a summary of the Company’s project development and other activities to date. All amounts in this release are expressed in Australian dollars unless otherwise identified.

Management of ASG will host a conference call at 4:30pm (EST) today to provide an update on the first quarter activities of the Company and to answer specific questions raised recently by investors. All interested parties are invited to participate. You can join the call by dialling 416-644-3425 or 1-800-594-3790. Please call in 15 minutes prior to the call to secure a line. You will be put on hold until the conference call begins.

HIGHLIGHTS

- Identification of additional in-pit gold mineralisation at the Gold Ridge Project.
- Received the continued support of the landowners regarding the project.
- Mandated Société Générale and ANZ Banking Group for the project financing activities for the re-development of the Gold Ridge Project. In accordance with this process the acquisition of the political risk insurance policy is proceeding well.
- Drilling results highlight further exploration potential in the Charivunga Mineralised Zone (CMZ). Results were received for Diamond Drill hole 140 which intersected 137 metres at 3.44 g/t Au.
- Successful completion of the brokered private placement of 13,044,000 subscription receipts at a price of C\$1.15 per Subscription Receipt raising gross proceeds of C\$15,000,600.

SUMMARY OF ACTIVITIES

Gold Ridge Project

The Company remains active in the following areas:

- Site restoration of the camp and the office buildings
- Refurbishment of the plant, workshop and heavy vehicle buildings
- Exploration drilling
- General improvement of security and safety issues
- Continuation of discussions with landowners and the Solomon Islands Government reflecting their ongoing support for the recommencement of operations of the Gold Ridge Project.

The Company has mandated jointly Société Générale Australia Branch and the ANZ Banking Group to arrange project financing facilities, including project debt and cost over-run facilities and an equipment leasing facility for the proposed new fleet of mining equipment. According to the mandate, the programme of due diligence and credit approval processes has been agreed, with the objective of banks receiving credit approval of facilities by the end of January 2008. This is a precursor to the equity financing phase which is anticipated to conclude by April 2008. A process of obtaining political risk insurance for the project is taking place and it is not expected to unduly affect the project schedule. Management believes that, once financing is complete, three months of pre-engineering will be required followed by a 12-month construction phase with initial production anticipated by June 2009.

Drilling Program

The drilling program commenced in Q3 2006 concluded at the end of Q2 2007 with 44 holes (DDH104 - 147) drilled for 5274m. The current program commenced in Q3 2007 and to the date of this release 7 holes (DDH148 – 154) have been drilled for 1792m.

Charivunga Mineralised Zone (CMZ)

- Assay results were received for DDH 140. This hole was collared 120 metres to the NE of hole DDH 139 and successfully intersected the mineralised zone previously intersected in DDH 138 and DDH 139. In total the DDH hole intersected 137m @ 3.44g/t Au, including two 1m intersections of more than 100g/t Au. The strike extent of this new mineralised zone is now 175 m and remains open in both directions and at depth.
- Three holes, DDH148 – 150, drilled this quarter delineate the northern extent of the CMZ, with the southern and depth extents remaining open. The zone has a strike extent of 300m, is up to 150m wide, and extends to at least 250m vertical depth.
- Assay results are pending for holes DDH151 – 154. Hole DDH151 was drilled to test the southern extent of the zone, DDH152 and DDH153 were drilled towards grid north to test for an interpreted fault zone, and DDH154 was drilled in the center of the zone as an infill hole.
- The expectation at the CMZ is for better average grades and for considerably better recovery than evident elsewhere, due to the lower levels of arsenic in this new zone.
- Further drilling is planned for Q4 2007 extending to a pattern drill out of the zone in Q1 2008.

Other Exploration Activities

Fieldwork commenced in preparation for a geophysical program to define further targets, and significant progress has been made with landowners in relation to the planned commencement of fieldwork on the Special Prospecting Licence.

Private Placement of Subscription Receipts

On August 9, 2007, the Company closed a brokered private placement of 13,044,000 subscription receipts (the "Subscription Receipts") at a price of C\$1.15 per Subscription Receipt, thereby raising gross proceeds of C\$15,000,600 (the "Subscription Receipt Offering"). Each Subscription Receipt, upon satisfaction of certain release conditions, was exchangeable, for no additional consideration, into one Common Share of the Company and one-half of one warrant, with each full warrant (a "PP Warrant") providing the purchaser with the right to subscribe for one Common Share for a period of 36 months following the close of the Subscription Receipt Offering at a price of C\$1.50 per Common Share.. The Subscription Receipts were offered on a best efforts agency based by a syndicate of agents co-led by Haywood Securities Inc. and Paradigm Capital Inc., and including Fraser Mackenzie Limited (collectively, the "PP Agents").

Upon the closing of the Subscription Receipt Offering, the Company placed a percentage of the proceeds in escrow (the "Escrowed Funds"), and agreed to use reasonable best efforts to qualify the Common Shares and PP Warrants

issued pursuant to the Subscription Receipt Offering by a prospectus, and to obtain shareholder approval with respect to the Subscription Receipt Offering (collectively, the "Release Conditions"). The Release Conditions were satisfied by the Company on September 26, 2007 and the escrowed funds were released to the company.

The PP Agents received a cash fee to C\$720,463.51, 65% of which was placed in escrow and formed part of the Escrowed Funds. As additional consideration, the PP Agents were also issued 219,272 compensation options ("Compensation Options"), with each Compensation Option entitling the holder thereof to purchase one Common Share of the Company at an exercise price of C\$1.27 per Common Share for a period of 18 months following the closing date of the Subscription Receipt Offering. The PP Agents received an additional 407,218 Compensation Options upon satisfaction of the Release Conditions by the Company.

The net proceeds of the Subscription Receipt Offering will be used to fund continued exploration, further preliminary development activities for the Gold Ridge Project, for working capital and general corporate purposes.

CORPORATE

Financial Statements

As at September 30, 2007, the Company maintained working capital of A\$8.66 million (September 30, 2006: A\$11.26 million). Included in this working capital position is a provision for a further payment to American Home Assurance Company of A\$5.45 million (US\$5 million). The Company has cash and cash equivalents as at September 30, 2007, totalling approximately A\$15.10 million (September 30, 2006: A\$ 19.79 million).

ASG reported a loss of A\$1.05 million or A\$0.02 per share for the quarter ended September 30, 2007 (September 30, 2006: loss of A\$1.0 million or A\$0.02 per share). An analysis of the quarter's result shows the following:

- Financial income amounted to A\$703,524 (September 30, 2006: A\$ 40,772) which comprised:
 - Interest income A\$101,445 (September 30, 2006 : A\$ 29,795). Interest income has increased for the quarter ended September 30, 2007 as a result of investment of the proceeds of the brokered private placement concluded on 9 August 2007;
 - An unrealised exchange gain of \$153,544 of foreign currency funds; and
 - A gain on revaluation of the US dollar denominated settlement liabilities regarding the acquisition of the JV Mine (Australia) Group of A\$448,485 (September 30, 2006: loss of A\$135,590). This significant gain on the valuation of settlement liabilities results from the favourable movement in the AUD/USD exchange rate since June 30, 2007. .
- Consultants and other professional expenses amounted to A\$818,017 (September 30, 2006: A\$316,251) and related to costs incurred in connection with the brokered private placement concluded on 9 August 2007 and on-going costs associated with securing further project financing. Included in this sum is an amount of \$286,576 (September 30, 2006: A\$ Nil) relating to the expensing of consultants options.
- Administration expenses amounted to A\$781,641 (September 30, 2006: A\$586,249) and related to the cost of maintaining ASG's corporate office. The increase in administrative expenses for the quarter ended September 30, 2007 reflects increases in staffing and activity levels. Included is a sum of \$174,261 (September 30, 2006: A\$126,607) relating to the expensing of administrative staff options for the quarter.
- Financial expenses amounted to A\$157,785 (September 30, 2006: A\$137,180) which comprised the unwinding of the discount of the rehabilitation provision. Financial expenses in the comparative period comprised the revaluation to fair value of the settlement liabilities regarding the acquisition of the JV Mine (Australia) Group. This revaluation generated a profit in the current period and is reported as a component of income.

N E W S R E L E A S E

The Company had no operating revenues in the period ending September 30, 2007, as it had not commenced operations.

This summary of financial highlights should be read in conjunction with the Company's Consolidated Interim Financial Report for the 3 month period ended September 30, 2007 and Management Discussion and Analysis of Financial Condition and Results of Operations, both of which are available on www.sedar.com.

Notice of Conference Call

Management of ASG will host a conference call today, November 12 at 4:30pm (EST) to provide an update on the first quarter activities of the Company and to answer specific questions raised recently by investors. All interested parties are invited to participate. You can join the call by dialling 416-644-3425 or 1-800-594-3790. Please call in 15 minutes prior to the call to secure a line. You will be put on hold until the conference call begins. A taped replay of the conference call will be available until November 19 at midnight at 1-877-289-8525 or 416-640-1917, reference number 21253317#.

About ASG

ASG is rapidly redeveloping the Gold Ridge Project, a former producing mine acquired by the Company in May 2005. With a recently completed Feasibility Study in hand, the Company is on schedule to commence operations in June 2009. Gold Ridge is located on Guadalcanal in the Solomon Islands. The mine operated from August 1998 to June 2000 and produced approximately 210,000 oz of gold during this period.

Additional information is available on www.sedar.com and at the Company web site at www.solomongold.com.au

Other

Tony Field, BSc, Grad Dip Env Sc, MAusIMM, MSPE, Exploration Manager, Australian Solomons Gold Limited, is the qualified person responsible for exploration at the Gold Ridge Project and the technical information contained in this press release.

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.

