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## N E W S   R E L E A S E

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### **AUSTRALIAN SOLOMONS GOLD LIMITED GOLD RIDGE UPDATE**

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

**TORONTO, Ontario – August 10, 2009** – Australian Solomons Gold Limited (“ASG” or the “Company”) (TSX: SGA) today announced that it is recommencing exploration activities with a 1,000 metre drill programme to test for updip extensions of the mineralisation discovered beneath the Charivunga Gorge. The Charivunga Gorge results show deep, consistent mineralised strataform zones commencing at 120m vertical depth, and up to 240m thick and at least 200m wide. The mineralization is open to the west (updip). This updip zone is close to the Kupers open cut as currently designed, and could form an extension to this open cut, or prove to be a stand alone open cut. Given the close proximity of the updip zone, it would be easily accessible along the proposed mine haul roads and would provide a logical extension to the current seven year mine life. Interpretation of the Charivunga Gorge drilling results, supported by scattered moderate to high grade soil sample values in the area, indicate that near surface mineralisation is likely to exist.

Continuation of this type of mineralisation presents an exciting exploration target and an outstanding future mining opportunity.

#### **Debt Financing Facility Update**

The Company further notes that it had been advised by the International Finance Corporation (IFC) and the European Investment Bank (EIB) that there has been a slight delay in the timing of seeking approvals of their respective Boards of the proposed debt financing facilities of US\$ 25 million each totalling US\$ 50 million. This delay has been caused by the significant level of other client work that both of these organisations are currently experiencing, due to global economic conditions, and compounded by the Northern Hemisphere summer holidays.

The Company advised previously that the IFC Board approval would be reviewed by 31 July, however this has been delayed until 3 September. EIB had previously indicated Board approval would be granted by 22 September, however this has been delayed until 17 November. EIB also advised that their Management Committee is expected to approve their debt finance facility by 3 October 2009, allowing the 6 week period required prior to the EIB Board meeting date.

These delays present a minor impact on the redevelopment schedule with first gold production now expected in the first quarter 2011, as compared to December 2010 as previously advised. Coupled with the equity financing completed on 14 July, the Company’s balance sheet remains to be in a strong position with a cash balance of C\$8.1million (exchange rate at A\$1.00=C0.90) and carries no debt.

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**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 which is expected to commence operations in early 2011.

**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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