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AUSTRALIAN SOLOMONS GOLD LIMITED FURTHER FINANCING APPROVAL – EUROPEAN INVESTMENT BANK

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TORONTO, Ontario – October 13, 2009 – Australian Solomons Gold Limited (“ASG” or the “Company”) (TSX: SGA) is pleased to announce that the European Investment Bank’s (EIB) Management Committee has approved a financing facility in relation to the redevelopment of the Gold Ridge Project. Final participation is subject to approval by the EIB’s Board of Directors, which is scheduled to consider the Gold Ridge project at its meeting in November 2009. The Gold Ridge Project is located in the Solomon Islands. The EIB facility is for a debt component of up to 20 Million Euro (approximately US\$29.5 million). ASG and EIB will continue working with the International Finance Corporation (IFC) to finalise detailed terms and conditions of both facilities which are intended to apply to both organisations. The IFC facility of US\$30 million received IFC Board approval on September 3, 2009.

The Chairman of ASG noted “The management committee approval for EIB adds further to the significant progress made by ASG for the financing of the Gold Ridge Project, and adds a new level of commitment and certainty.”

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.

On September 17, 2009 ASG announced that Allied Gold Limited (“Allied Gold”) will make an agreed off-market takeover offer for all the shares of ASG (the “Offer”). The Offer was made on October 2, 2009. ASG shareholders who accept the Offer will receive 0.85 Allied Gold shares for every share of ASG held. The Offer remains subject to certain conditions and there is no certainty that the Offer will be successful. Full details of the Offer are contained in a Bidder’s Statement and Offer to Purchase which has been filed on ASG’s profile on www.sedar.com

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-

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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.

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

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