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AUSTRALIAN SOLOMONS GOLD LIMITED CONFIRMS RCF AGREEMENT WITH ALLIED GOLD LIMITED

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TORONTO, Ontario – September 17, 2009 – Australian Solomons Gold Limited (“ASG” or the “Company”) (TSX: SGA) is aware that Resource Capital Fund III L.P. (“RCF”) announced it has entered into an agreement with Allied Gold Limited in support of the agreed off-market takeover made by Allied Gold Limited to the Company. RCF is the major shareholder in ASG, holding approximately 49% of the Company. A copy of the announcement made in Australia by RCF is attached to this release.

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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16 September 2009

ALLIED GOLD MAKES AGREED TAKEOVER OFFER FOR ASG

TORONTO, ONT., CANADA - Allied Gold Limited (**Allied Gold**) and Australian Solomons Gold Limited (**ASG**) today announced that Allied Gold will make an agreed off-market takeover offer through a wholly owned subsidiary for all of the issued shares of ASG pursuant to the Corporations Act of Australia and Canadian securities laws (the **Offer**).

Resource Capital Fund III L.P. (**RCF**), which holds 63,522,358 ASG shares, has entered into an agreement with Allied Gold in relation to 19.9% of ASG's shares (the **Acceptance Shares**). Under the agreement, RCF has undertaken to accept the Offer to the extent of the Acceptance Shares within 3 business days of the Offer being made to shareholders and has undertaken not to withdraw this acceptance.

RCF also intends to accept the Offer for the balance of its ASG shares (which, with the Acceptance Shares, total approximately 49%) within 3 business days of the Offer being made to shareholders and will not withdraw that acceptance unless:

- a superior proposal emerges
- there is a material adverse change to Allied Gold
- the bid is extended for more than a month and it remains unconditional; or
- Allied Gold withdraws the bid for any reason.

RCF is supportive of the transaction, absent a superior proposal, as it gives ASG shareholders exposure to a producing mine at Allied Gold's Simberi Project, while also adding skills and expertise to assist with development of the Gold Ridge asset.