SOLOMON RESOURCES LIMITED
October 31, 2009

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FIRST QUARTER OF FISCAL YEAR 2010

Introduction

The following interim management's discussion and analysis has been prepared as of December 9 2009. It is an update of both the annual management's discussion and analysis prepared as of November 25, 2009 and filed on SEDAR on November 27, 2009. It should be read in conjunction with the Company's unaudited, interim financial statements for the quarter ended October 31, 2009. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and all numbers are reported in Canadian dollars.

This discussion may contain forward-looking statements that involve inherent risks and uncertainties. The reader is cautioned that actual results may differ materially from those anticipated in the forward-looking statements. The interim financial statements have not been audited.

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

Changes to the Board of Directors

Retirements

William F. Lindqvist has resigned his position as a Director, effective November 30, 2009 but will remain available to the Company as a technical adviser.

Board Appointment

Paul S. Maarschalk, Chief Financial Officer and Secretary to the Company, has been appointed as a Director of the Company, effective November 30, 2009.

Exploration Activities from November 25, 2009 to Present:

Complete historical details regarding the Company's exploration properties may be found in the November 25, 2009 Management's Discussion and Analysis that accompanied the Annual Financial Statements filed on SEDAR on November 27, 2009.

The following commentaries summarize developments since that date.

Bonanza Sitka – Southwestern British Columbia, Canada

There is nothing further to report on this property since the publication of the annual Management's Discussion and Analysis of November 25, 2009.

Expenditure of $17,049 was incurred on the property during the quarter.

Cry Lake (Nizi) – North-central British Columbia, Canada

There is nothing further to report on this property since the publication of the annual Management's Discussion and Analysis of November 25, 2009.

Expenditure of $316,511 was incurred on the property during the quarter.

Ten Mile Creek – Yukon Territory, Canada

There is nothing further to report on this property since the publication of the annual Management's Discussion and Analysis of November 25, 2009.

Expenditure of $12,545 was incurred on the property during the quarter.

Sleitat Tin Project – Alaska, United States

There is nothing further to report on this property since the publication of the annual Management's Discussion and Analysis of November 25, 2009.

No expenditure was incurred on this property during the first quarter.

Uranium Exploration Projects - Mongolia

Solomon filed a Statement of Claim in the Administrative Court of Ulaanbaatar on January 22nd, 2009 seeking injunctive relief from the expropriation of the Company's tenures in Mongolia, the refusal of the Mongolian authorities to issue mineral licences to the Company pursuant to an earlier court decision and the attempt by those authorities to improperly transfer the expropriated licences to Areva subsidiary Cogegobi.

On October 10th, 2009 Judge S. Munkhjargal of the Administrative Court of Ulaanbaatar ruled that the Mongolian Cadastral office clearly violated the rights of Solomon in not dealing with the various licence applications according to law. Munkhjargal ordered the government agencies to settle the applications of Solomon Resources Mongolia and Cogegobi according to the Mongolian law.

At this writing we are awaiting the compliance of the Mongolian Cadastral Office with the court ruling.

On July 16th, 2009, the Mongolian Parliament passed new legislation to regulate the exploration, exploitation and development of uranium and other radioactive materials. The *Nuclear Energy Law* gives the Mongolian government the right to take ownership without payment of not less than 51% of the shares of a project or joint venture if the uranium mineralization was discovered by state funded exploration, and not less than 34% if state funding was not used to find the mineralization. Existing licence holders were required to apply to the State Administrative Authority for re-registration. Any licences that were not reregistered were to automatically be suspended.

Solomon filed applications to re-register its existing Baruunbayan exploration licences and the re-registrations now have been issued.

The Company is actively seeking joint venture partners for its interests in Mongolia.

Ongoing investment in support of the Company's Mongolian operations, including license renewal costs, amounted to $72,382 in the quarter ended October 31, 2009.

Other Exploration Programs and Activities

The Company has a number of exploration programs in development and is continually reviewing property submissions from prospectors and other resource issuers to assess economic potential and suitability to our exploration parameters. Projects are currently being assessed in British Columbia, Yukon Territory and other jurisdictions.

Financial information

Results of operations

Significant items		Three Months Ended October 31 2009	2008
Net income (loss)	$	(124,651)	(32,011)
General and administrative costs	$	124,446	319,191
Gain / (loss) on sale of investment	$	(8,715)	14,767
Cash spent on resource properties	$	(418,486)	(291,703)
Write off of expenditures on resource properties	$	-	-
Recovery of expenditures on resource properties	$	3,833	386,999
Gain / (loss) on exchange	$	10	(105,979)

As evidenced by the Consolidated Statements of Operations in the first quarter of fiscal 2010, being the three months ended October 31, 2009, the Company had a net loss of $124,651 or $0.02 per share as compared to a net loss of $32,011 or $0.01 per share for the comparative quarter of fiscal 2009. The following discussion explains the variations in the key components of these numbers, but as with most junior exploration companies the results of operations are not the main factor in establishing the financial health of the Company. Of far greater significance are the properties the Company has, its working capital, its ability to raise fresh capital when necessary, and the company's on-going exploration programs.

Nominal interest income was received in the quarters ended October 31, 2009 and 2008.

The Company's general and administrative expenses decreased significantly in the quarter ended October 31, 2009 to $124,446 from $166,191 in the same quarter of the previous year (excluding stock based compensation).

- Office and miscellaneous costs decreased partly due to the inclusion, in the first quarter of fiscal 2009, of certain travel costs in office and miscellaneous, and to the general reduction of office overheads to essential items only.
- Professional fees increased slightly to $36,266 from $ 31,575 due to new share issues and additional property acquisitions, resulting in higher legal fees.
- Management fees are substantially down on the comparable quarter of the previous year due to the capitalization of certain management fees into resource expenditures. Further details in respect to management fees are provided below and in the section on related parties.
- An error was detected in the calculation of stock based compensation costs for the first quarter of fiscal 2009. While the comparative has not been adjusted to ensure consistency with prior year disclosures, the amount was adjusted down from $153,000 to $20,400 in the audited, annual financial statements for fiscal 2009.
- Lower rent in this quarter compared to last year is due to the recent consolidation of exploration equipment in one facility at the Company's office in Armstrong B.C.
- Travel, promotion and shareholder costs are higher than in the previous year due to the inclusion in this expense item of all travel costs not capitalized to projects. Previously some travel costs had been included under Office and Miscellaneous costs.

- Stock exchange and transfer agency fees were notably higher in the quarter compared to the same quarter of fiscal 2009 due to higher corporate activity levels.

Management fees expensed in the quarter included management fees of $4,744 in respect to the Company's Chief Executive Officer, and $22,980 in respect to the Company's Chief Financial Officer. If management fees are directly attributable to Company projects an appropriate portion of the fees are capitalized to the cost of the project. $38,381 in fees paid to the Company's Chief Executive Officer was capitalized in the quarter ended October 31, 2009.

In the first quarter of fiscal 2010 the Company sold a portion of its investments in Integra Mining Ltd to finance its ongoing operations and repay the balance of a loan received from two directors. Net proceeds on the sale were $131,960, representing a loss on cost of $8,715. In the first quarter of fiscal 2009 the Company had sold investments for net proceeds of $248,959 and realized a gain of $14,767.

There were no property write offs in the quarter ended October 31, 2009.

In the quarter ended October 31, 2009 the Company recognized a nominal gain on exchange, compared to a loss of $105,979 recognized in the corresponding quarter of fiscal 2009. The difference is due to the lower value of Australian investments on the balance sheet at October 31, 2009 as compared to October 31, 2008, and to differing exchange rate movements in the two periods.

Summary of quarterly results for the last 8 quarters

Fiscal 2010		First quarter
Total revenues	$	4,667
Net income (loss)	$	(124,651)
Net income (loss) per share	$	(0.02)

Fiscal 2009		First quarter	Second quarter	Third quarter	Fourth quarter
Total revenues	$	6,871	4,770	-	5,883
Net income (loss)	$	(32,011)	(50,752)	(1,408,613)	(1,579,032)
Net income (loss) per share	$	0.00	(0.01)	(0.20)	(0.20)

Fiscal 2008		Second quarter	Third quarter	Fourth quarter
Total revenues	$	17,266	10,844	32,632
Net income (loss)	$	443,068	338,086	(895,647)
Net income (loss) per share	$	0.10	0.10	(0.20)

Notes:
1) Total revenue consists of gas royalties and interest income.
2) There were no discontinued operations or extraordinary items in the periods under review.

Quarterly results can vary significantly depending on whether the Company has realized any gain on sale of its investment, abandoned any properties or granted any stock options.

Liquidity and capital resources

As evidenced by the Consolidated Statements of Cash flows, in the quarter ended October 31, 2009 the Company sold listed investments for net proceeds of $131,960, raised $706,583 in new share capital, and recovered a small residual portion of a mining exploration tax credit accumulated in the 2008 tax year. During the same quarter the Company paid $154,000 for 100% of the shares of a private company whose sole asset is an interest in the Cry Lake property in northern British Columbia, repaid loans from directors to the value of $100,000 and spent $418,416 on exploration, 75% of which was in British Columbia.

At October 31, 2009 the Company had net working capital, including investments, of $318,433 compared to $264,022 on July 31, 2009.

The Company's overhead expenditures for the next year, and the exploration programs it has planned, will be dependent on the Company having sufficient liquid assets and investments to cover such expenditures.

Off balance-sheet arrangements

There are currently no material off balance sheet arrangements and no new information to report since the annual management discussion and analysis.

Transactions with related parties

As previously reported, Ron Netolitzky, a director of the Company, and Michael Church, a former director of the Company, each lent the Company $250,000 during the quarter ended January 31, 2009. During the quarter ended October 31, 2009 the outstanding balance of $100,000 was repaid on the loans from the proceeds of sales of investments.

Randy Rogers, a director and Chief Executive Officer, provided management services to the Company through his private company, Longford Exploration Services Ltd at the rate of $750 per day. Total charges in the quarter were $43,125 of which $38,381 was capitalized to exploration projects.

Paul Maarschalk, Secretary and Chief Financial Officer, provided accounting and administrative services to the Company at the rate of $600 per day. Total charges in the quarter were $22,980.

Apart from the above there were no transactions with related parties in the quarter.

Material transactions subsequent to October 31, 2009

Subsequent to October 31, 2009 a further 100,000 shares in Integra Mining Ltd have been sold for net proceeds of approximately $27,000 (CAD).

Changes in accounting policies including initial adoption

See note one to the interim financial statements.

Financial instruments and other instruments

The Company's financial instruments include cash and cash equivalents, receivables, investments and payables.

The Company's cash and cash equivalents of $393,167 at October 31, 2009 consist of Canadian dollar, United States dollar and Australian dollar denominated checking accounts.

Receivables at October 31, 2009 include the refundable British Columbia Mining Exploration Tax Credit for 2009, calculated as approximately $50,000 (subject to tax assessment). Significant payables include approximately $150,000 in exploration costs. Apart from these items, receivables and payables of

$110,709 and $296,085 respectively are normal course business items that are usually settled within thirty days.

Investments of $56,535 are the market value of the Company's investments in other junior resource companies at October 31, 2009. As reported above, subsequent to October 31, 2009 a further 100,000 shares in Integra Mining Ltd have been sold for net proceeds of approximately $27,000 (CAD). The value the Company could realize on the sale of the remaining investments may differ significantly from the revalued amount recorded on the balance sheet.

Reclamation bonds of $38,719 represent bonds with, or cash payments paid in trust to, regulatory authorities in Australia and British Columbia. Subject to due process by the authorities and adequate clean up by the Company at the end of a project the bonds are all recoverable. $10,000 represents new bonds in the quarter under review, $18,000 represents a reclassification of investments previously disclosed under cash equivalents and the balance represents bonds not yet recovered in Australia.

A portion of the Company's investments ($50,487 at October 31, 2009) is the Company's investment in Integra Mining Limited, a gold mining company listed on the Australian Securities Exchange. Its current value in Canadian dollars is subject to fluctuations in the Australian dollar exchange rate in addition to normal market movements.