SOLOMON RESOURCES LTD.
April 30, 2005

INTERIM MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The following interim management discussion and analysis has been prepared as of June 23, 2005. It is an update of the annual management and discussion filed on SEDAR in November 2004. It should be read in conjunction with the Company's unaudited, interim financial statements for the quarter ended April 30, 2005. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and all numbers are reported in Canadian dollars.

This discussion contains 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.

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

Background

No new information to report since annual management discussion and analysis.

Overall performance

The Company has been actively searching for new projects for several months. Early in the quarter (as discussed in the second quarter's MD & A) the Company announced that it had signed a Memorandum of Agreement with Gallant Minerals Ltd. to acquire up to an 80% interest in each of twenty gold and base metal projects in Mongolia.

In conjunction with this acquisition Solomon announced the appointment of Mr. Keith Laskowski as President and Chief Operating Officer of the Company, effective April 1, 2005.

Initial exploration of the Mongolian properties will commence in July with ground magnetics surveys and gradient array IP surveys on the Bayantsagaan Gold project to be followed up by drilling.

In March 2005, the Company's wholly owned subsidiary Solomon (Australia) Pty Ltd., has entered into a Heads of Agreement with Integra Mining Limited ("Integra"), to sell outright, the 19 tenements which comprise the Randall's Gold Project of Solomon's Kalgoorlie Southeast project (KSE Project.)

The consideration for the sale to be satisfied by the issue of A \$500,000 worth of Integra shares (approximately 6.97 million shares) and the replacement of Solomon's environmental bonds of A \$998,000 in cash. In addition, Integra will reimburse Solomon for the A \$350,000 drilling program about to commence at Randall's. At Solomon's option, the A \$350,000 reimbursement may be satisfied either in cash or in the equivalent value of Integra shares, the price of which is set at the 30 day average price prior to March 6, 2005 (A\$0.07176). If Solomon elects to take Integra shares the Company's share holding in Integra would further increase by approximately 4.88 million shares to a total of approximately 12 million Integra shares.

Subsequent to the end of the quarter the Company optioned out its Annie property in Chile to Peregrine Diamonds Ltd. Peregrine terminated that option in June 2005 and it is expected that the Company will write off the property in the fourth quarter financial statements.

On June 23, 2005 Dr William F. Lindqvist was appointed a director of the Company.

Results of operations	Three months ended April 30		Nine months ended April 30	
	2005	2004	2005	2004
Net income (loss)	$(307,739)	$(95,980)	$(653,615)	$(19,484)
Gain on sale of investments	$48,970	$53,631	$321,876	$450,271
General and administrative costs	$119,854	$118,067	$385,952	$334,222
Stock option compensation	$87,500	$0	$111,500	$0
Write down property costs	$19,977	$44,031	$405,251	$181,294

In the third quarter of fiscal 2005 the Company had a net loss of $307,739 or $0.01 per share as compared to net loss of $95,980 or $0.00 per share for the comparative quarter of fiscal 2004. 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 and how many shares it has outstanding.

In the third quarters of both fiscal 2005 and 2004 the Company sold a portion of its investments in other resource issuers to finance its ongoing operations. This resulted in proceeds on sale of $48,970 and $74,431 respectively and corresponding book gains of $48,970 and $53,631. The book gains do not represent the actual gains on sale that the Company made as some of the investments had been written down to market value in prior years.

The market value of the Company's remaining investments at April 30, 2005 was $310,060. This is unlikely to represent what the Company can expect to realize from these investments for their market is very volatile.

The Company's general and administrative costs rose slightly from $118,067 in 2004 to $119,854 in the third quarter of fiscal 2005. The main components of general and administrative costs in Canada continue to be management fees paid to the Company's president $36,000 and professional fees which include $6,400 paid to the Company's VP exploration, $4,000 paid to the Company's CFO and $24,971 paid to the Company's lawyer.

Stock based compensation is a non-cash item that attempts to put a dollar value on the benefit being given on the granting of stock options. It is based on statistical models, taking into account the volatility of the stock, the risk free rate and the weighted average life of the options. Where the market is highly volatile and not very liquid the results may not be very meaningful. The Company issued 1,100000 stock options in March 2005, of which 350,000 vested in the period resulting in stock based compensation expense of $87,500.

In the third quarter of 2005 the Company incurred rehabilitation costs on its tenements in Australia of $146,875. This work is expected to be completed in the fourth quarter.

The Company writes off its mineral property costs and deferred exploration at such time as it either abandons the property or determines that there has been a permanent impairment in its value. The expense in the third quarter of fiscal 2005 was residual expenses on the Company's Metla property.

The results for the nine months to April 30, 2005 show a loss of $653,615 as compared to a net loss of $19,484 in the comparative period in 2004. The main reasons for this were larger sales of investments in 2004 resulting in book gains of $450,271 as compared to $321,876 in 2005, higher property write-offs in 2005, $405,251 as compared to $181,294, a stock based compensation charge of $111,500 in 2005 with no comparable expense in 2004 and a tenements rehabilitation cost of $146,875 in 2005 with no comparable expense in 2004.

Summary of quarterly results

Fiscal 2005	First quarter	Second quarter	Third quarter
Total revenues	$ 20,347	$ 18,243	$17,497
Net income (loss)	$ (300,810)	$ (45,066)	$(307,739)
Net income (loss) per share	$ (0.01)	$ (0.00)	($0.01)

Fiscal 2004	First quarter	Second quarter	Third quarter	Fourth quarter
Total revenues	$ 13,960	$ 19,134	$ 12,487	$ 41,377
Net income (loss)	$ 198,562	($122,066)	($95,980)	$274,337
Net income (loss) per share	$ 0.01	($0.00)	($0.00)	$ 0.01

Fiscal 2003	Fourth quarter
Total revenues	$20,058
Net income (loss)	$145,129
Net income (loss) per share	$0.00

Notes:
1) The total revenue consists of gas royalties and interest income.
2) There were no discontinued operations or extraordinary items in the periods under review.
3) The basic and diluted income (loss) per share numbers were the same in each of 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

In February 2005 the Company completed a private placement of 6 million units at a price of $0.20 each for net proceeds of $1,042,195.

Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.30 per share for 12 months. If the closing trading price of the Company's shares for 10 consecutive trading days equals or exceeds $0.45 per share after the four month restricted resale period, the Company can give the warrant holders notice that they must exercise the warrants or they will expire within 30 days of such notice.

First Associates Investments Inc. of Calgary, Alberta acted as the Company's agent for that portion of the placement completed outside of the United States of America. In consideration of its efforts, First Associates was paid a cash commission of $96,000 and issued a warrant to purchase up to 900,000 common shares for a period of 12 months at a price of $0.20 each.

The funds will be used for a 3,000 metre diamond drilling program on the Company's Kalgoorlie Southeast project in Western Australia and for remedial work on other of the Company's projects in Australia. The balance of the financing will be used for working capital and Mongolia. As the Mongolian projects are advanced more funding will be required and since the Company only has small resources left in marketable securities it is expected that the bulk of any new funding will come from private placements.

In the quarter the Company spent $300,090 on property acquisition and exploration, most of which related to acquisition costs of the Mongolian property option.

At April 30, 2005 the Company had 38,620,031 shares outstanding, 2,400,000 options outstanding and 4,262,000 warrants outstanding. Working capital at April 30, 2005 was $772,302. Subsequent expenditures in Australia and Mongolia had reduced this number to approximately $400,000 at June 23, 2005.

Off balance-sheet arrangements

No new information to report since annual management discussion and analysis.

Transactions with related parties

Larry Nagy, a director and chief executive officer of the Company provides management and geological services to the Company through his private company, Tincup Wilderness Lodges Inc. at the rate of $12,000 per month. Total charges in the quarter were $36,000.

Keith Laskowski, president and chief operating officer of the Company provides geological services to the Company through his private company, KAL Exploration Inc. at the rate of $15,000 per month. Total charges in the quarter were $13,756. Keith Laskowski was granted 1,000,000 stock options at $0.36 in March 2005. The options expire in March 2010.

Robert Evans, secretary and chief financial officer of the Company provides accounting and administrative services to the Company through his private company, 312467 BC Ltd. at the rate of $375 per day. Total charges in the quarter were $4,000.

The Company has sublet office space and secretarial services from Ascot Resources Ltd., a public company of which Robert Evans is a director, at the rate of $2,500 per month. Total charges in the quarter were $7,500.

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

Proposed transactions

There are no proposed transactions. Transactions undertaken after the quarter end are discussed under overall performance and liquidity and capital resources.

Changes in accounting policies including initial adoption

No new information to report since annual management discussion and analysis.

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 $802,994 consist of cash on hand of $442,994 and a bank term deposit of $360,000 earning approximately 2% per annum.
Receivables and payables of $19,273 and $81,976 respectively are normal course business items that are usually settled within thirty days.

The investments of $35,887 is the book value of the Company's investment in other junior resource companies. The book value is the original cost of the investment less any write-down to market where at the year-end the cost of the investment exceeded its market value. The market value of the Company's investments at April 30, 2005 was $310,060.