SOLOMON RESOURCES LTD.
October 31, 2005

INTERIM MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The following interim management discussion and analysis has been prepared as of December 15, 2005. It is an update of the annual management and discussion filed on SEDAR in November 2005. It should be read in conjunction with the Company's unaudited, interim financial statements for the quarter ended October 31, 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, dated November 15, 2005.

Overall performance

The Company's sale of its Randalls Gold project discussed in the annual MD&A was closed in September 2005.

The Company is currently conducting a second drill program on its Bayantsagaan project in Mongolia.

Asia Gold has announced encouraging results on its Tsalchir License in Mongolia. This is one of four properties in Mongolia that it holds under option from Solomon.

Results of operations

	First quarter 2006	First quarter 2005
Net income (loss)	$(80,665)	$(300,810)
Gain on sale of investment	$90,110	$112,480
General and administrative costs	$142,417	$119,444
Stock option compensation	$0	$0
Write down property costs	$6,129	$314,193

In the first quarter of fiscal 2006 the Company had a net loss of $80,665 or $0.00 per share as compared to net loss of $300,810 or $0.01 per share for the comparative quarter of fiscal 2005. 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 first quarters of both fiscal 2006 and 2005 the Company sold a portion of its investments in other resource issuers to finance its ongoing operations. This resulted in proceeds on sale of

$90,110 and $157,480 respectively and corresponding book gains of $90,110 and $112,480. 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 October 31, 2005 was $860,688. 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 from $119,444 in the first quarter of fiscal 2005 to $142,417 in the first quarter of fiscal 2006. There was a substantial increase in professional fees in the 2006 quarter as a result of the hiring if a new president in April 2005. Half of the president's salary of $15,000 per month is charged to professional fees and half is charged to Mongolia. The other major increase in 2006 was in promotion costs which arose mainly from the new president's involvement in this field.

There was no stock option compensation expenses as no stock options vested in the quarter.

The loss on exchange in fiscal 2006 was due to a drop in value of the Australia dollar and the consequent reduction in value in Canadian dollar terms of the Australian tenement bonds receivable. (See liquidity section).

Summary of quarterly results

Fiscal 2006	First quarter
Total revenues	$21,879
Net income (loss)	$(80,665)
Net income (loss) per share	$(0.00)

Fiscal 2005	First quarter	Second quarter	Third quarter	Fourth quarter
Total revenues	$20,347	$18,243	$17,497	$31,623
Net income (loss)	$(300,810)	$(45,006)	$(307,739)	$(354,841)
Net income (loss) per share	$(0.01)	$(0.00)	$(0.01)	$(0.01)

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

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 the quarter the Company raised (net) $625,983 from a private placement and $90,110 from the sale of investments. At the same time the Company spent $358,822 on exploration mainly in Mongolia.

The sale of the Company's Randalls property in Australia resulted in the Company receiving 6,967,485 shares of Integra Mining Ltd. and Integra replacing $998,000 of the Company's tenement bonds. The Australian $998,000 for the bonds is included in receivables as it is still awaiting government approval to close. This is expected in mid January 2006. Meanwhile the value of this receivable in Canadian dollars is subject to fluctuations in the exchange rate for the Australian dollar. The shares of Integra trade in Australian dollars and are subject to the same risk.

Expenditures since October 31, 2005 in Mongolia (which are for the most part in US dollars) have reduced the treasury to under $100,000. The Company plans to use the liquid assets from its Australian subsidiary to fund additional drilling in Mongolia.

Off balance-sheet arrangements

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

Transactions with related parties

Keith Laskowski, President of the Company provides management and geological services to the Company through his private company, KAL Geo at the rate of $15,000 per month. Total charges in the quarter were $45,000.

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 $12,000.

Robert Evans, secretary and chief financial officer of the Company provides accounting and administrative services to the Company through his private company, 312469 BC Ltd. at the rate of $400 per day. Total charges in the quarter were $4,000.

The Company has sublet office space and secretarial services from Ascot Resources Ltd., a 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

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

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 $535,438 consist of cash on hand of $535,438.
Receivables and payables of $909,231 and $62,064 respectively are normal course business items that are usually settled within thirty days. (See liquidity discussion).

The investments of $424,029 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 October 31, 2005 was $860,688.

A significant portion of the receivables ($881,254) and the market value of investments ($738,275) are related to the Company's Australian operations and their current value in Canadian dollars is subject to fluctuations in the Australian dollar exchange rate.