SOLOMON RESOURCES LTD.
April 30, 2006

INTERIM MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The following interim management discussion and analysis has been prepared as of June 21, 2006. It is an update of the annual management and discussion filed on SEDAR in March 2006. It should be read in conjunction with the Company's unaudited, interim financial statements for the quarter ended April 30, 2006. 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

Exploration Activity for the Quarter ending April 30, 2006.

Mongolia

Solomon holds a total of 13 properties in Mongolia, described as follows.

A total of 11 Solomon properties in Mongolia are held under option from Gallant Minerals Ltd. Solomon is active on Bayantsaagan, Chandman, Khan Bogd, Zos Uul, Oyut Ovoo and Bosoo Khar. Four of the Gallant properties are copper porphyry targets located in southern Mongolia and are the subject of an option with Asia Gold Corporation, including Tsakhir, Toste, Bor Khairkhan and Narag Uul. Solomon has returned 9 of the properties to Gallant in the past Quarter, including Onon in the northeast of Mongolia.

Solomon has also been active acquiring new properties that are 100% Solomon owned through the Company's Mongolian subsidiary company, SRM XXK. A total of six properties were acquired, including Airag 1, 2 & 3, Matad 1 & 2 and Khar Uul.

The Airag and Matad properties are located in southeast and east Mongolia, respectively and were all acquired for their uranium exploration potential. The properties were acquired through Solomon's application for licences which were all granted by the local provincial governors, securing Solomon's tenure and right to conduct exploration. Final registration of the licences was delayed during this period with the temporarily suspension of services at the Mongolia Geological and Mining Cadastre (MGMC) office.

Located in northwest Mongolia, Khar Uul hosts various copper and gold occurrences. The Khar Uul property was acquired through a purchase option agreement executed February 10, 2006.

Solomon has the right to purchase a 100% interest for US$21,000 from Mr. Regzen Luvsansumya. Solomon has made the first payment of US$10,500. the second $10,500 payment is due when the titles are transferred. Suspension of services at the MGMC office has delayed this transfer and the second payment had not been made by the end of the 3rd Quarter.

Only a limited amount of work was undertaken on Solomon properties in Mongolian in the 3rd Quarter due to seasonally unfavourable conditions in Mongolia at this time. The following activities were carried on out on Solomon properties during February through the end of April in Mongolia.

Bayantsagaan – Gold project
No work was undertaken at Bayantsaagan in the 3rd quarter, other than clean up of drill sites completed in December of 2005.

Bosoo Khar & Khan Bogd Prospects
Mineral mapping using hyperspectral ASTER imagery was completed for the Bosoo Khar and Khan Bogd properties in April, 2006.

Asia Gold Option: Khongor-Tsakhir Property
Asia Gold completed property wide detailed ground geophysical surveys (gradient array induced polarization) over most of the Tsakhir property as part of its assessment of its new Khongor and Khongor South (Tsakhir) coppery-gold porphyry discovery. In April, Solomon geologists guided Asia Gold representatives to a zone of porphyry-style quartz stockwork and associated large argillic alteration zone on the Tsakhir. Asia Gold began a phase of detailed geological mapping and sampling on the Ksakhir property at this time.

Western Australia

Solomon holds a variety of large tenement holdings in the Kalgoorlie area of Western Australia. The Glandore South Project is under Joint Venture with Harmony Gold Company Limited. Newcrest Mining Limited is earning an interest in the Monger Project. Solomon maintains 100% ownership of the Emu Dam, Monger South and Lucky Bay tenement holdings. Solomon and its partners were not active during the quarter.

British Columbia
On March 1, 2006, Solomon submitted Coal Licence Applications for the Bowron Basin Coal Deposit located roughly 50 km. east of Prince George, 12 km. south of Highway 17 near Purden Lake. Discovered in 1870, the Bowron Basin coal deposit was heavily explored between 1962 and 1981 with in excess of 26,075m in 95 core holes drilled, installation of a 355m underground decline, collection and analysis of a 12 tonne bulk sample and several down-hole geophysical surveys completed. An historical, Non 43-101 compliant underground resource of 49,904,280 tonnes of high volatile bituminous thermal grade coal was determined ((R. Verzosa, P.Eng., 1981; BC Assessment Report 786). The licences had not yet been given final approval by the end of the 3rd Quarter.

Chile, Alaska, Burkina Faso
Solomon or its partners were not active on its Chile, Alaska or Burkina Faso properties during the last quarter.

Results of operations

	Three months ended April 30		Nine months ended April	
	2006	2005	2006	2005
Net income (loss)	$(143,034)	$(307,739)	$(639,157)	$(653,615)
Gain on sale of investment	-	$48,970	$170,944	$321,876
General and administrative costs	$156,124	$119,854	$526,158	$385,952
Stock based compensation	$70,000	$87,500	$338,900	$111,500
Write down (recoveries) property costs	$(54,148)	$19,977	$(48,018)	$405,251

In the third quarter of fiscal 2006 the Company had a net loss of $143,034 or $0.00per share as compared to net loss of $307,739 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 third quarter the Company did not sell any of its investments. In the third quarter of 2005 it sold 20,000 Viceroy Exploration for a book gain of $48,970. General and administrative costs were up by approximately $36,000 for the quarter. The main areas of increase were professional fees and promotion and shareholder information.

Professional fees were $97,988 of which $36,000 was paid for management fees to Lawrence Nagy, the Company's CEO, $25,248 was paid to Bill Lindqvist a director for geological fees and expenses of $22,050 was paid for geological fees to Dave Tupper, the Company's V.P. of Exploration. Promotion and shareholder information costs increased as they Company has been placing increased efforts in this area. These costs can be expected to increase further as in May 2006 the Company signed an investor relations contract with John Kocela for $3,000 per month plus expenses.

Office and miscellaneous costs rose in 2006 as the Company took out Directors and Officers liability insurance.

Stock based compensation is a non-cash item that attempts to put a dollar value on the benefit being given on the vesting 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. In the third quarter of 2006 350,000 options vested resulting in an expense of $70,000 as compared to 125,000 options vesting in 2005 and an expense of $87,500.

In the third quarter the Company wrote of its investment in the Hall Lake property resulting in an expense of $41,651. However, the Company optioned out its Sleitat Tin Property in Alaska to Brett Resources Inc. (a Company with two common directors). The initial option payment was 220,000 shares of Brett which had a deemed value of $114,000 and resulted in a deemed cost recovery of $90,226, After other minor items the net recovery for the quarter was $54,148 compared with a cost of $19,977 for 2005.

Most of the above comments regarding the third quarter apply equally to the nine month results. Gains on sale of investments were higher in 2005 as more investments were sold, administration costs were higher in 2006 mainly as a result of increased professional fees and shareholder information costs. Stocked based compensation was higher overall in 2006 as more options vested in that time frame. The major area of difference was in property write offs were there was (as described above) a recovery in 2006 as compared to a substantial write off in 2005, most of which was related to the Metla property. In addition in 2005 the Company spent $146,875 on rehabilitation costs in Australia with no comparable expense in 2006.

Summary of quarterly results

Fiscal 2006	First quarter	Second quarter	Third quarter
Total revenues	$21,879	$18,249	$23,272
Net income (loss)	$(80,665)	$(415,458)	$(143,034)
Net income (loss) per share	$(0.00)	$(0.01)	$(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)	$(45,066)	$(307,739)	$(354,841)
Net income (loss) per share	$(0.01)	$(0.00)	$(0.01)	$(0.01)

Fiscal 2004	Fourth quarter
Total revenues	$41,377
Net income (loss)	$274,337
Net income (loss) per share	$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 third quarter the Company raised $110,000 from the exercise of warrants and options. The Company spent $224,184 on exploration, mainly in Mongolia and the Company's general and administrative costs for the quarter net of income were $132,852. Working capital at the end of the quarter was $707,967.

Subsequent to the end of the quarter the Company made a $200,000 US option payment and issued 847,305 shares pursuant to its agreement with Gallant Minerals Ltd on certain of its Mongolia properties. The Company raised $117,765 in May through the sale of 50,000 shares of Asia Gold Corp. The budget for Mongolia to the end of October is approximately $300,000. The Company is expecting to get a portion of its Australian tenement bonds refunded in the next few weeks. However, the anticipated level of future expenditures will require that the Company soon raise funds either through the sale of a portion of its investments or through a private placement.

Off balance-sheet arrangements

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

Transactions with related parties

Larry Nagy, President, 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.

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 $3,500.

Bill Lindqvist, a director was paid $25,248 for geological fees and expenses.

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.

A director was granted 250,000 options in the quarter at $0.36

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 $664,590 consist of cash on hand of $164,590 and a bank term deposit of $500,000 earning approximately 3% per annum.

Receivables and payables of $43,758 and $21,201 respectively are normal course business items that are usually settled within thirty days.

The investments of $626,975 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, 2006 was $1,718,214.

A substantial portion of the Company's financial instruments are denominated in Australian dollars and are thus subject to exchange rate risks.