SOLOMON RESOURCES LTD.
January 31, 2007

INTERIM MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The following interim management discussion and analysis has been prepared as of March 23, 2007. It is an update of the annual management and discussion filed on SEDAR in November 2006. It should be read in conjunction with the Company's unaudited, interim financial statements for the quarter ended January 31, 2007. 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, 2006.

Overall performance

The Company remained active with field programs in Mongolia up to early November and the acquisition of the Zamtiin Gol uranium property in west central Mongolia. The company was also active: consulting with the North Caribou Lake First Nations in preparation for a drilling program in early 2007 on its Eyapamikama Lake base metals project located in northwest Ontario; completing the due diligence on the newly acquired COL-Magnet copper-gold porphyry prospect located in north central BC; and compiling historical data on its Bowron Basin in preparation for development of a detailed deposit model.

As announced on January 2, 2007, Solomon completed a $1.45 million private placement financing through the issuance of 3,310,640 'super' flow-through units at a price of $0.35 per unit and 892,572 (regular) flow-through units at a price of $0.33 per unit. The proceeds of the 'super' flow-through financing are to be used on the Company's COL-Magnet property. The proceeds from the (regular) flow-through financing are intended for the Eyapamikama Lake work program. Each unit consisted of one flow-through common share and one-half non-flow-through, common share purchase warrant. Each full warrant is exercisable at a process of $0.50. A 7.5% cash finder's fee was paid on the funds raised from investors introduced by registered brokers.

On February 28, 2007, the Company completed a second non-brokered private placement with MineralFields Group totaling $700,000 through the issuance of 2,333,333 flow-through common shares and one-half non-flow-through, transferable warrant at a price of $0.30 per flow-through share. Each full warrant is exercisable to purchase on common share for a period of two years at an exercise prices on $0.55 in the first year and $0.75 in the second year. Proceeds from the financing are to be used to fully fund work to be done on the Eyapamikama Lake base metals project in Ontario. A 7.5% finder's fee was paid to Limited Market Dealer Inc. in Ontario.

On March 7, 2007, the Company advised Gallant Resources Ltd. that it was terminating its option agreement and returning all of Gallant's properties, subject to Asia Gold Corp.'s rights to the Tsakhir copper-gold property. Over the 22 months since entering into the agreement with Gallant, exploration expenditures undertaken by Solomon and Asia Gold exceeded US$2.0 million dollars, primarily made on the Bayantsaagan, Chandman, Tsakhir and Onon properties.

<u>Exploration Activity for the Quarter ending January 31, 2007.</u>

<u>Mongolia</u>
Prior to Solomon returning all subject properties to Gallant and terminating its option to earn into the eight remaining properties, the company had been active exploring the Chandman and Bayantsaagan prospects.

<u>Bayantsagaan – Gold Project</u>
The Company completed 33.8 line-kilometres of total field magnetic and gradient IP/Resistivity ground geophysical surveys along the strike of the Sujegtei Zone.

<u>Chandman – Copper-Gold Project</u>
Work in the quarter at the Chandman property largely comprised minor follow-up geological mapping and sampling, data compilation and reporting on the KY copper-gold skarn prospect.

<u>Asia Gold Option: Khongor-Tsakhir Property</u>
No work was completed by Asia Gold Corp. on the Tsakhir option during the quarter.

<u>Ontario</u>
A small HLEM geophysical survey totaling line-kilometres was submitted on October 12, 2006 to satisfy assessment requirements on the Eyapamikama Lake massive sulphide property in northwest Ontario. In addition Solomon staff held preliminary consultation meetings with the North Caribou Lake First Nations council on January 10, 2007.

The company submitted its Letter of Exercise to Energold Minerals Inc. and Northern Dynasty Minerals Ltd. in February, 2007, notifying of its intend to enter into a formal option of the Eyapamikama Lake property. The Company has the right to earn up to a 60% interest in the property by expending $3 million and paying $170,000 and 600,000 Solomon shares to the owners over 3 years.

Solomon has a 2,500 metre drill program planned for early 2007 on the Eyapamikama Lake property. Additional ground geophysical and geochemical work is also planned for the late summer.

<u>British Columbia</u>

<u>COL-Magnet Property</u>
On December 12, 2006, Solomon optioned the COL copper-gold porphyry property in the Hogem Batholith area located in north central BC. The company has the right to earn a 100% interest in the property by expending $2.2 million and paying $1.175 million to the owners over 5 years.

Solomon expanded its holdings in the Hogem Batholith area by staking the 29 Magnet claims adjoining to the COL property along the northwest/southeast trend of a regional airborne magnetic anomaly. A large summer program of ground geology, geochemistry, airborne geophysics and up to 3,000 metres of drilling is planned for 2007.

<u>Tatsa Property</u>
During the past quarter, Solomon was not active on its Tatsa gold-copper property in British Columbia

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.

Alaska, Burkina Faso, Chile
During the past quarter, Solomon's partner Brett Resources Ltd. was not active on the Company's Sleitat Mountain tin property in Alaska. Orezone Resources Inc., the operator on the Company's Bombore property in Burkina Faso property informed the Company that it had earned its 50% interest in the project by expending more than US$1.7 million before January 17, 2007. Solomon began closing down its operations in Chile and relinquishing its Santa Candelaria property.

Results of operations

	Three months ended January 31		Six months ended January 31	
	2007	2006	2007	2006
Net income (loss)	$(1,914,852)	$(415,458)	$(1,872,452)	$(496,123)
Gain on sale of investment	$47,006	$80,834	$222,599	$170,944
General and administrative costs	$201,904	$227,617	$315,377	$370,034
Stock based compensation	$6,000	$268,900	$12,000	$268,900
Write down property costs	$1,805,910	$1	$1,691,910	$6,130

In the second quarter of fiscal 2007 the Company had a net loss of $1,914,852 or $0.04 per share as compared to net loss of $415,458 or $0.01 per share for the comparative quarter of fiscal 2006. 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 second quarter of fiscal 2007 the Company sold the balance of its investment in Skeena Resources Ltd and 5,000 shares of Asia Gold Corp for a book gain of $47,006. The Company sells its investments periodically as an alternate means of financing, so income from this source can vary significantly from one quarter to the next. 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 January 31, 2007 was $1,225,010. This is unlikely to represent what the Company can expect to realize from these investments as their market value is very volatile.

General and administrative costs were down in the second quarter of 2007 compared to 2006, $201,904 compared to $227,617. The only significant area of change was office costs where the curtailing of operations in Australia lead to savings. As discussed elsewhere the Company has raised over two million dollars in flow through funds and this increase in exploration expenditures will cause some increase in administration costs for the balance of 2007.

Interest income dropped in the current quarter as compared to the comparative quarter as a result of the Company redeemed a large portion of its Australian tenement bonds in 2006.

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 second quarter of 2007 50,000 options vested resulting in an expense of $6,000 which was expensed as promotion and shareholder information. In the comparative quarter of 2006 1,345,000 options vested resulting in an expense of $268,900.

In March 2007, the Company returned the Mongolia Gallant properties to the optionor and so the cumulative net expenditures on the properties at January 31, 2007 of $1,805,910 have been written off. See discussion under overall performance. There were no significant write-offs in the comparative quarter in 2006.

Most of the comments made above regarding the second quarter apply equally to the six months ended January 31, 2007. Other significant items from the first quarter which need comment are that in the quarter ended October 31, 2006 the Company wrote down its investment in Integra Mining Ltd to its market value at the time. This resulted in an expense of $117,824, there was no comparative number for the same quarter in the prior year. In the first quarter there was a $114,000 recovery of investment in expenditures on resource properties as a result of the deemed value of a 200,000 share option payment received from Brett Resources Inc on the Sleitat property. Again there was no material comparative number for the same quarter in the prior year.

Summary of quarterly results

Fiscal 2007	First quarter	Second quarter
Total revenues	$6,883	$9,530
Net income (loss)	$42,400	$(1,914,852)
Net income (loss) per share	$0.00	$(0.04)

Fiscal 2006	First quarter	Second quarter	Third quarter	Fourth quarter
Total revenues	$21,879	$18,249	$23,272	$6,328
Net income (loss)	$(80,665)	$(415,458)	$(143,034)	$(87,035)
Net income (loss) per share	$(0.00)	$(0.01)	$(0.00)	$(0.00)

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

The Company has 48,364,068 million shares outstanding, 2,140,000 stock options outstanding and 3,064,606 warrants outstanding. The Company's working capital at January 31, 2007 was $1,359,115.

The Company spent $234,073 on exploration in the second quarter, mainly on its SRM Mongolia properties.

The Company raised, gross, $1,453,275 in flow through funds in December 2006 by the sale of 4,203,212 units and a further $700,000 in flow through funds in February by the sale of 2,333,333 units. These funds have to be spent on Canadian exploration and this will be the focus of the Company's efforts in 2007. The Company will need further working capital in 2007 to cover its overhead. This it intends to get from the closing of its deal in Australia, the sale of investments, as is justified by the market and if necessary, a private placement.

Off balance-sheet arrangements

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

Disclosure controls and procedures

The Company has in place a system of disclosure controls and procedures designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, so as to permit timely decisions on public disclosure

Management has evaluated the effectiveness of the Company's disclosure controls and procedure as of January 31, 2007 and concluded that material information is gathered and reported to senior management, so as to permit the required timely decisions on public disclosure.

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.

Bill Lindqvist, a director of the Company provides geological services to the Company. Total charges in the quarter were $3,748.

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 $7,500.

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 $1,382,109 consist of cash on hand of $1,382,109. Receivables and payables of $19,695 and $71,172 respectively are normal course business items that are usually settled within thirty days.

The investments of $1,076,739 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 January 31, 2007 was $1,225,010.

A significant portion of the Company's activities are conducted in Australia and Mongolia so the Company is subject to certain exchange rate risks.