FORM 51-901F

QUARTERLY REPORT

Incorporated as part of Schedules A B&C

ISSUER DETAILS:	
Name of Issuer	**SOLOMON RESOURCES LIMITED**
Issuer Address	Suite 900 , 475 Howe Street Vancouver, B.C., V6C 2B3
Issuer Telephone Number	(604) 669-6656
Issuer Web Site	www.solomonresources.ca
Contact Person	Robert A. Evans
Contact's Position	Secretary/Treasurer
Contact Telephone Number	(604) 669-6656
Contact Email Address	robert_evans@telus.net
For Quarter Ended	January 31, 2004
Date of Report	March 24, 2004
CERTIFICATE *The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.*	
"Ronald K. Netolitzky"	2004/03/24
Name of Director	**Date Signed**
"Lawrence J. Nagy"	2004/03/24
Name of Director	**Date Signed**

SCHEDULE "A"
Quarterly Report

SOLOMON RESOURCES LIMITED
CONSOLIDATED BALANCE SHEET
Unaudited

	January 31, 2004	July 31, 2003
ASSETS		
Current		
Cash and cash equivalents	$ 687,423	$ 555,770
Accounts receivable	12,649	23,049
Prepaid expenses	11,000	6,000
	711,072	584,819
Property and equipment	1	1
Investments	157,881	248,405
Tenement Bond (note 3)	902,781	902,781
Investment in and Expenditure on Resource Properties (note 5)	2,379,781	2,307,597
	$ 4,151,516	$ 4,043,603
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 32,375	$ 83,125
Provision for rehabilitation of tenements (note3)	935,334	935,334
	967,709	1,018,459
SHAREHOLDERS' EQUITY		
Capital Stock	19,933,179	19,851,012
Deficit	(16,749,372)	(16,825,868)
	3,183,807	3,025,144
	$ 4,151,516	$ 4,043,603

APPROVED BY THE DIRECTORS:

"Lawrence J. Nagy" (signed)
Director

"Ronald K. Netolitzky" (signed)
Director

SOLOMON RESOURCES LIMITED
CONSOLIDATED STATEMENT OF INCOME AND DEFICIT
Unaudited

	Three Months Ended January 31,		Six Months Ended January 31,	
	2004	**2003**	**2004**	**2003**
REVENUE				
Oil and gas revenue	$ 7,429	$ (158)	$ 9,585	$ 2,126
Interest	11,705	10,151	23,239	18,810
Other	117,409	44,779	397,090	231,866
	136,543	54,772	429,914	252,802
EXPENSES				
Promotion and shareholder information	14,408	17,501	26,657	26,788
Professional fees	42,072	16,698	63,206	46,051
Listing and stock exchange fees	3,490	7,925	5,480	7,925
Management fees	36,000	36,000	51,000	54,000
Office and miscellaneous expenses	18,492	11,029	47,140	45,856
Rent	8,500	7,000	17,500	13,000
Transfer agent fees	4,379	3,561	5,172	4,313
Write-off mining properties	131,268	2,562	137,263	38,107
	258,609	102,276	353,418	236,040
INCOME (LOSS) FOR THE PERIOD	(122,066)	(47,504)	76,496	16,762
DEFICIT, BEGINNING OF PERIOD	16,627,306	16,494,896	16,825,868	16,559,162
DEFICIT, END OF PERIOD	16,749,372	16,542,400	16,749,372	16,542,400
INCOME (LOSS) PER SHARE	$ (0.00)	$ (0.00)	$ 0.00	$ (0.00)

SOLOMON RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN CASH
Unaudited

	Three Months Ended January 31,		Six Months Ended January 31,	
	2004	**2003**	**2004**	**2003**
OPERATING ACTIVITIES				
Gain (loss) for the period	$ (122,066)	$ (47,504)	$ 76,496	$ 16,762
Add items not involving cash				
Other revenue	(117,409)	(44,779)	(397,090)	(231,866)
Write off property costs	131,268	2,562	137,263	38,107
Cash provided by changes in non-cash working capital	(48,631)	70,228	(45,350)	(140,121)
Cash (used) in operating activities	(156,838)	(19,493)	(228,681)	(317,118)
INVESTING ACTIVITIES				
Proceeds on sale of investments	175,779	89,679	487,614	233,279
Cash proceeds on sale of mill	-	(112)	-	39,138
Investments	-	-	-	(30,000)
Deferred exploration expenditures, net of recoveries	(121,577)	(49,383)	(196,947)	(325,123)
Cash (used) in investing activities	54,202	40,184	290,667	(82,706)
FINANCING ACTIVITIES				
Issuance of shares	29,667	100,000	69,667	100,000
Cash provided by financing activities	29,667	100,000	69,667	100,000
INCREASE (DECREASE) DURING PERIOD	(72,969)	120,691	131,653	(299,824)
CASH, BEGINNING OF PERIOD	760,212	173,087	555,770	593,602
CASH, END OF PERIOD	$ 687,423	$ 293,778	$ 687,423	$ 293,778
NON CASH ITEMS				
Investment received on sale of mill (122,077 shares of Almaden Minerals Ltd.)	-	-	-	79,350
Investments received for option (75,000 shares of Orezone Resources Ltd.)	-	-	-	30,000
20,000 shares issued for finder’s fee	-	-	-	3,000
50,000 shares used for property option payment	12,500	-	12,500	-

SOLOMON RESOURCES LIMITED

Notes to Consolidated Financial Statements

1. **BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying interim financial statements have been prepared in accordance with Canadian generally accepted accounting principals for interim financial information and accordingly do not include all disclosure required for annual financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered for a fair presentation have been included. Operating results for the six months ended January 31, 2004 are not necessarily indicative of the result that may be expected for the full year ending July 31, 2004.

These statements should be read in conjunction with the July 31, 2003 annual financial statements, including the accounting policies and notes thereto, included in the Annual Report for the year ended July 31, 2003. These financial statements reflect the same significant accounting policies as those described in the notes to the audited financial statements of Solomon Resources Limited for the year ended July 31, 2003.

Effective November 1, 2003, the Company adopted, on a prospective basis, the fair value based method of accounting for stock option awards granted to employees and directors, as prescribed by CICA 3870 stock-based compensation and other stocked-based payments. Under this method, the fair value of the stock options at the date of grant is amortized over the vesting period, with the offsetting credit to contributed surplus. IF the stock options are exercised; the proceeds are credited to share capital.

2. **NATURE OF OPERATIONS**

The Company was incorporated under the Laws of British Columbia. Its principal business activity is the exploration for and development of natural resource properties either directly or indirectly through its investments.

3. **TENEMENT BOND**

The Company holds a tenement bond to ensure the Company has adequate resources to finance any future rehabilitation costs on its Australian properties. A provision has been made to reflect estimated costs for rehabilitation of claims.

4. **GOING CONCERN**

The Company's ability to continue as a going concern is dependent upon additional financing being obtained in order to complete the exploration and development of the Company's properties, and realize on its assets and discharge its liabilities in the normal course of business.

5. DEFERRED EXPENDITURES

	Burkina Faso	Independence	Kalgoorlie Southeast	San Ramon	Beowewe Project	Other	Total
Balance, July 31, 2003	1	1	2,136,543	-	113,000	58,052	2,307,597
Additions	-	-	121,841	5,995	18,268	63,343	209,447
Write-offs	-	-	-	(5,995)	(131,268)	-	(137,263)
Balance, January 31, 2004	1	1	2,258,384	-	-	121,395	2,379,781

SOLOMON RESOURCES LIMITED

QUARTERLY REPORT - JANUARY 31, 2004

1. ANALYSIS OF EXPENSES AND DEFERRED COSTS, YEAR TO DATE

Expenses
The breakdown is provided on the income statement.
Professional fees

Robert Evans	6,250
David Tupper	33,500
Ronald Netolitzky	6,000
Legal	1,954
Audit	15,000
Other	502
	$ 63,206

Deferred Expenditures

Kalgoorlie Southeast	-		121,841
Other	-	Field costs	20,399
	-	Land costs	42,944
San Ramon	-	Personnel	3,685
	-	Field	2,288
	-	Drill and analysis	22
Beowawe	-	Land costs	18,268
			$ 209,447

2. RELATED PARTY TRANSACTIONS, YEAR TO DATE

Larry J. Nagy, Director - Management services	$ 51,000
Robert A. Evans, Secretary - Accounting and administration services	6,250
Ronald K. Netolitzky, Director - Professional services	6,000

3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE PERIOD

Securities Issued
20,000 options were exercised for proceeds of $30,000. 133,334 warrants were exercised for proceeds of $26,667, 50,000 shares were issued for property payments.

Options Granted
None.

4. SUMMARY OF SECURITIES AS AT END OF REPORTING PERIOD

Authorized Capital
100,000,000 common shares without par value

Number and Recorded Value for Shares Issued and Outstanding
29,837,531common shares at a recorded value of $19,933,179.

Outstanding Options

Name of Optionee	Shares	Price	Expiry Date
David Ransom, Director	250,000	$0.20	March 30, 2006
John Kocela, Investor Relations	200,000	$0.30	June 6, 2007
Michael Church, Director	250,000	$0.15	November 12, 2007
Lawrence Nagy, Director	350,000	$0.15	November 12, 2007
Ronald Netolitzky, Director	250,000	$0.15	November 12, 2007 (200,000 subsequently exercised)
Robert Evans, Officer	200,000	$0.15	November 12, 2007
Phil Anderson, Employee	100,000	$0.15	November 12, 2007
David Tupper, Employee	50,000	$0.15	November 12, 2007

Outstanding Warrants
333,333 non-transferable share purchase warrants exercisable at $0.30 until December 2004.

Shares in Escrow or Pooling Agreements
None

5. LIST OF DIRECTORS & OFFICERS

Directors

Michael G. Church, *Prince George, B.C.*
Larry J. Nagy, Delta, *B.C.*
Ronald K. Netolitzky, *Victoria, B.C.*
David M. Ransom, *Australia*

Officers

Larry J. Nagy, President & CEO
Robert A. Evans, Secretary/Treasurer & CFO

SOLOMON RESOURCES LIMITED
MANAGEMENT DISCUSSION - JANUARY 31, 2004

1. DESCRIPTION OF BUSINESS

Solomon Resources Limited is a mining exploration company. It carries on its activities by direct participation in projects and by investing in the shares of other mining exploration companies.

At August 1, 2003, the Company's areas of activity were.

(a) Burkina Faso- West Africa

During the year ended July 31, 2001, the Company decided not to participate further in expenditures on its 45% interest in this property and accordingly wrote down the property's carrying value to $1. During the year ended July 31, 2002, the Company and Channel Resources Limited granted Orezone Resources In. (Orezone") an exclusive 60 day option to acquire an interest in the Bombore Permit in Burkina Faso and to acquire Channel Mining (Barbados) Company Ltd. ("Channel Barbados").

According to the agreement, Orezone made a cash payment of US $10,000 to Channel and completed its due diligence on the property.

During the year ended July 31, 2003, Orezone exercised this option and delivered a Heads of Agreement ("HOA") to Channel and the Company.

According to the HOA, Orezone will earn a 50% interest in the claims by:

(i) Expending a minimum of CDN $300,000 on an exploration program within one year of the date of the HOA with the objective of identifying additional resources that can be incorporated into a Feasibility Study (done); and

(ii) Expending an additional CDN $1,700,000 on the exploration program.

After having earned the 50% interest, or in conjunction with earning the 50% interest, Orezone may earn an additional 20% beneficial interest (collectively the "Earned Interest") by completing a Bankable Feasibility Study.

Orezone has the first right of refusal to purchase the interests of the Company and Channel in the Bombore concession. Upon Orezone earning its interest and prior to Orezone selling its interest to a third party, Channel and the Company shall have first right of refusal to purchase back Orezone's earned interest

On submittal to Channel of the Bankable Feasibility Study, Orezone shall buy out the remaining interest of Channel and the Company on the following terms:

(i) Orezone will make payment to Channel of US $550,000 within 90 days of submission of the Bankable Feasibility Study to Channel;
(ii) Orezone will make a payment to the Company of US $450,000 within 90 days of submission of the Bankable Feasibility Study to the Company; and

(iii) Orezone will grant to the Company and Channel a total 1% net smelter return on ounces produced to be divided pro-rata between the Company and Channel.

In the event that the Bankable Feasibility Study has not been accepted by a financial institution, or it does not recommend development of a mining project at that time, or the internal rate of return is not acceptable to Orezone, Orezone has the right to proceed with the buy out from Channel on the terms set out in the previous paragraph or at Orezone's sole discretion it may postpone the buy out

The Company was notified by Orezone subsequent to July 31, 2003 that Orezone has met its obligation to expend a minimum of C $300,000 on the Bombore project pursuant to the HOA.

(b) Independence Mine- Alaska

At July 31, 1997, the Company, through its Alaskan subsidiary Thor Gold Alaska Inc., decided not to continue developing the Independence Mine property further and accordingly wrote down the property's carrying value to $1. Since 1997 the Company has been performing reclamation work on the property.

During the year ended July 31, 2003, the Enserch mill was sold to Almaden Minerals Ltd. ("Almaden") for 122,077 Almaden common shares (note 6). Almaden has since dismantled and removed the mill. The Lucky Shot and Coleman properties, the former site of the mill, were returned to Alaska Hardrock Inc. by the Company. As part of the transfer, the Company agreed to fund Alaska Hardrock Inc. a total of US $25,000 to complete all reclamation works of the site. Formal approval of the reclamation work is pending review by the Alaskan authorities.

(c) Kalgoorlie Southeast Project (formerly the "Mount Monger Gold Project"), Australia

During the year ended July 31, 2001, the Company, through Solomon (Australia) Pty. Ltd., entered into an agreement with General Gold Resources, N.L. ("General Gold"), an Australian Stock Exchange listed company, whereby the Company was able to earn a 100% interest in the Kalgoorlie Southeast Project in Western Australia (the "KSP") on the following terms:

(i) payment of A $592,000 (done);

(ii) issuance of 1,000,000 fully paid common shares of the Company (done); and

(iii) replacement of environmental tenement rehabilitation bonds with the Department of Mines and Energy totaling a $1,058,000 ($822,912 Cdn.) (done).

The KSP has been assessed with tenement rehabilitation costs by the Department of Mines and Energy in the amount of the tenement bonds above. The Company does not believe the tenement bonds are fully recoverable, and accordingly, a full provision has been made in the accounts of the Company.

During the year ended July 31, 2001, the Company entered into a joint venture agreement with Goldfields Exploration ("Goldfields") for exploration of the KSP area. In order to participate in the joint venture, Goldfields was required to:

(i) pay A $200,000 ($162,000 Cdn.) Cash option fee (received);

(ii) expend A $2,500,000 in exploration costs in the first year (done); and

(iii) expend a total of A $6,000,000 in four years to earn a 65% equity in the joint venture.

The Mount Monger Mill and associated plant is excluded form this agreement, as are the Mount Monger Mill area mining leases and the Christmas Flats mining leases, a small area around the Mount Monger mining centre.

In December 2001, Goldfields merged with Delta Gold Ltd. to become AurionGold Limited ("AurionGold"). No changes to the status of the KSP Joint Venture agreement occurred as a result of this merger.

During the year ended July 31, 2002, the Company entered into an option agreement with Dominion Gold Operations Pty. Ltd. ("Dominion") whereby Dominion will have until December 31, 2001to purchase the Mount Monger Mill for A $180,000 plus assume costs for partial rehabilitation of the mill site. Dominion paid A $20,000 for this option and in December 2001, completed the purchase of the Mount Monger Mill, removed it from the site and rehabilitated the area.

In April 2002, the Christmas Flats leases were sold through sealed tender to the highest bidder. Aberdeen Mining Pty Ltd, a company controlled by a Solomon director, purchased the Christmas Flats leases for A$600,000.

In July 2002, the Company entered into an agreement through Australia Pty with Wilbro Mine Services ("Wilbro"), whereby Wilbro was granted, upon payment of A $10,000, the right to extract gold from material in and around the CIP plant at Mount Monger. The proceeds from the sale of any gold are to be shared on the basis of 10% to the Company and 90% to Wilbro.

During the year ended July 31, 2003, AurionGold returned over 80 tenements to the Company. The Randalls Mine centre tenements, including the Maxwells mine area was retained by AurionGold as part of the KSP.

In January of 2003, Placer Dome Asia Pacific Limited ("PDAP") completed acquisition of AurionGold. No changes to the status of the KSP Joint Venture agreement occurred as a result of this merger.

Subsequent to July 31, 2003, PDAP relinquished the 100% interest in the KSP back to the Company.

In order to maintain current rights of tenure to exploration and mining tenements, the Company has the following discretionary exploration expenditure requirements up until the expiry of the leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in these financial statements and are payable as follows:

(i) Not later than one year; A $1,976,746;
(ii) Later than one year but not later than two years: A $767,338;
(iii) Later than two years but not later than five years: A $2,198,537; and
(iv) Later than five years: A $3,112,986.

If the Company decides to relinquish certain leases and/or does not meet the obligations, assets recognized in the statements of financial position may require review to determine the appropriateness of carrying value. The sale, transfer or farm-out of exploration rights to third parties may reduce or extinguish these obligations.

(d) Newcrest Kalgoorlie Southeast Project Joint Venture Project, Australia

During the year ended July 31, 2003, the Company, through its 100% owned subsidiary Solomon (Australia) Pty Ltd., has entered into an agreement with Newcrest Mining Limited ("Newcrest") of Australia to continue the exploration of a large property portfolio in the Kalgoorlie area of Western Australia. The project, referred to as the Newcrest Kalgoorlie Southeast Project Joint Venture ("Newcrest KSP JV"), consists of 90 tenements totaling 265km^2 returned to the Company by PDAP. The joint venture agreement calls for Newcrest to fund A $2,000,000 to earn a 75% working interest in the project over 4 years. After Newcrest has earned its 75% interest, the Company can elect to either maintain its 25% working interest or be diluted to a 10% carried interest. Upon a positive decision to commence mining, the Company has the additional option to revert to a royalty of 2% of the Net Smelter Return.

As part of its responsibilities Newcrest must incur expenditures of not less than A $600,000 within the first twelve months and incur sufficient annual expenditures thereafter to maintain the tenements in good standing. As part of its first year expenditures, Newcrest will reimburse the Company up to A $30,000 for expenses incurred by the Company prior to the commencement date.

Under the original Newcrest KSP JV agreement, Newcrest was granted first right of refusal on an additional 25 tenements totaling 220km that at the time were of signing were under joint venture agreement with PDAP as part of the Placer KSP JV ^{2}. Newcrest elected to option 8 of these tenements. None of the tenements that incorporate the Mount Monger and Randalls mine centers are included in the Newcrest joint venture arrangement.

(e) San Ramon, Chile

During the year ended July 31, 2002, American Canyon Mining Chile Ltda. ("ACM"), a private Chilean corporation, granted the Company the option to acquire at least an undivided 75% interest and up to an undivided 80% interest in the San Ramon Mining Project, Chile.

In order to maintain its rights under the option, the Company must abide by the following terms:

(i) Payment of US $40,000 to conduct a 90 day Due Diligence Review (done);

(ii) Reimburse ACM for expenditures incurred by ACM in respect to the claims to a maximum of US $15,000;

(iii) Spend US $500,000 on geological work on the claims and on the acquisition of the remaining claims within the following 12 months ("Year 1");

(iv) Payment to ACM of US $100,000 on August 30, 2002 provided that ACM has entered into the Formal Agreement by that date;

(v) Allot and issue to ACM 100,000 fully paid and non-assessable common shares and spend an additional US $1,000,000 on completion of Year 1; and

Should the Company wish to increase its option to earn an interest in the claims from 75% to 80% it will:

(vi) Lend to ACM US $100,000 on August 30, 2003.

If the Company does not complete (vi), it will continue to have the right to earn an undivided 75% interest in the claims by completing the expenditures described in (vii) below. If the Company elects to make such a loan ACM will have the right for 180 days from the date of advance to reduce the additional undivided 5% option interest in increments of 1% by paying to the Company US $20,000 per 1% interest, plus interest per annum at a rate equal to LIBOR plus 2% calculated from the date of advance. To the extent ACM fails to make such repayments, the Company's option will be increased up to 80%; and

(vii) Allot and issue to ACM an additional 200,000 fully paid and non-assessable common shares and incur a total of US $6,000,000 in expenditures (including those mentioned above) following the completion of Year 2 to earn the option.

During 2003, the following amendments were made to the agreement:

(i) The US $100,000 payment originally due on August 30, 2002 has been modified as a loan to ACM and was advanced in 2003. The interest the Company acquires in the project remains at the originally agreed upon 75%.

(ii) The US $100,000 loan to ACM originally due on August 30, 2003 is now due on June 30, 2003. This debt, as part of the cost of the entire San Ramon exploration program, has been written down to a nominal amount. However, negotiations to recover this debt are ongoing. Solomon retains the right to acquire a 5% interest in all San Ramon properties held by ACM if the recovery of this debt fails.

(iii) The original US $15,000 maximum reimbursement to ACM for expenditures has been amended to monthly payments of US $7,500 beginning May 2002. Five payments totaling US $37,500 have been paid during the year ended July 31, 2003.

The Company exercised its option to acquire a 75% interest in San Ramon after reviewing positive results from the 90-day due diligence review study and the Company announced that it intended to raise CDN $100,000 by private placements through the issuance of 666,667 shares at $0.15 per share. The monies were to be used for exploration on the property and working capital purposes.

During the year ended July 31, 2003, the Company terminated its agreement with ACM to acquire an interest in the San Ramon Mining Project, Chile. The property was written off during the 2003 fiscal year.

(f) Beowawe Project, Nevada

The Company entered into a letter of intent, subject to regulatory approval, to acquire up to 100% of the Beowawe project in Nevada. The Company has agreed to fund up to $125,000 in expenditures for the vendor to research and acquire claims in the subject area, and for the vendor to complete a suitable technical report of geology, geophysics and geochemistry. The vendor may charge a fee above expenses and other third party costs of $5,000 per month for his services. Within 15 days of delivery of the technical report and land package, the Company will elect either to purchase a 100% interest or become a minority equity holder in the project.

If the Company elects not to purchase the property, the Company can recover a maximum of three times its investment out of 30% of any payments, which are received from a third party. If the vendor makes a cash call to maintain the property, the Company will participate or lose its interest.

If the Company elects to purchase the project, the Company will issue to the vendor:

(i)	Upon agreement/approval	300,000 common shares
(ii)	6 month anniversary of agreement	500,000 common shares
(iii)	1st year anniversary	1,000,000 common shares
(iv)	2nd year anniversary	1,000,000 common shares

The vendor will also be granted a 1% net smelter return on the project, which can be purchased in whole or in part based on a total price of $1,000,000.

If the Company elects to return the property after completing the first year expenditures in excess of $400,000 and the issuance of 1,800,000 common shares, the Company will have earned a 25% working interest in the project. If the property is returned prior to the first year obligations being met, the Company will have no interest in the project.

This agreement is subject to regulatory approval. No agreement has been filed.

(g) Bouleau Project - British Columbia

During the year ended July 31, 2003, the Company signed an option agreement to acquire a 100% interest in the Bouleau Lake Property. The Bouleau Lake Property is located southwest of Vernon, British Columbia.

The Company can earn a 100% interest in the Bouleau Lake Property, subject to Exchange approval, by fulfilling the following option terms:

$5,000 cash and 25,000 common shares on signing (done);
$10,000 cash and 50,000 common shares on or before the first anniversary; (done)
$20,000 cash and 100,000 common shares on or before the second anniversary; and

$40,000 cash and 200,000 common shares on or before the third anniversary.

The vendor will retain a 2% net smelter return, which the Company can purchase for $1,000,000 within 120 days of commercial production being attained.

(h) Maui Claims, Yukon

During the year ended July 31, 2003, the Company acquired a 50% interest in the Maui 1-96 mineral claims located in Watson Lake Mining District, Yukon, for a cash payment of $10,000. The Company has the option of earning an additional 40% (90% total) interest by committing to expend $30,000 on an exploration program on the mineral claims and:

(i) paying $10,000 cash and issuing 50,000 common shares 12 months after the date of agreement;

(ii) paying $10,000 cash and issuing 50,000 common shares 24 months after the date of agreement;

(iii) paying $10,000 cash and issuing 50,000 common shares 36 months after the date of agreement; and

(iv) expending a total of $50,000 on exploration over three years.

The original owner may, at his option, sell his remaining 10% interest to the Company for $1,000,000 or he may elect to retain his 10% working interest and contribute proportionately to all future exploration and development costs.

(i) Annie Property, Chile

During the year ended July 31, 2003, the Company acquired the Annie Property approximately 30 km south of Copiapo in Region III of northern Chile. The Annie Property is comprised of 11 claims totaling 2,055 ha. The ten Annie claims were acquired by staking and are owned 100% by the Company through its 100% owned subsidiary Solomon (Chile) SCM. The Company has also purchased 100% of the 50 ha Santa Candelaria II 1/5 claim for cash payment of US$2,000 and issuance of 38,250 common shares.

At January 31, 2004 Solomon owned shares in other mining companies as follows:

	Number of Shares	Book Cost	Market
Quest Capital Corporation	181,233	$81,555	322,595
Almaden Minerals Ltd.	32,000	20,800	75,200
Skeena Resources Ltd.	626,667	43,867	Halted
Canico Resource Corp.	30,020	11,659	356,938
Spectrum Gold Inc.	18,123	0	60,712
Viceroy Exploration Ltd.	54,370	0	57,632
			157,881

2. DISCUSSION OF OPERATIONS AND FINANCIAL POSITION

Solomon's net income for the six months ended January 31, 2004, was $76,492 or $0.00 per share. Normally Solomon would be expected to make a loss for the quarter as the Company does not have any sustainable revenue. However the Company has been selling certain of its investments to fund its ongoing operations. In the first quarter it sold 205,000 Orezone for proceeds of $168,967 and 10,000 Canico for proceeds of $142,688 resulting in a book gain of $279,681. In the second quarter the company sold 90,077 Almaden for proceeds of $175,779 and a book gain of $117,409. This level of income can not be expected to continue in the long term.

The Company received gas royalty income in the six months of $9,585 and interest income on its bank account balance and reclamation bonds held in Australia of $23,239. Administrative costs for the six months were $216,155. The biggest component of this was professional fees of $63,206 which are broken down on Schedule B. Management fees of $51,000 were paid to the Company's president for the six months, office and miscellaneous expenses of $47,140 include $30,000 for operating the company's Australian office and $11,000 in BC capital taxes. Promotion costs of $26,657 include $18,000 paid to John Kocella under the Company's investor relations contract. Administration costs can be expected to continue at current levels.

In the quarter after reviewing the status of its properties, Management wrote off the Beowewe project in Nevada at a cost of $131,268.

Until recently, Solomon's principal exploration focus was for gold in Australia where Newcrest is currently expending $1.0 Australian exploring 90 of your Company's Kalgoorlie Southeast Project tenements. First Quarter results of this work is expected from Newcrest shortly.

Newcrest Mining Ltd., can earn a 75% interest in 90 of the tenements, by spending 2.0 million over 4 years. The remaining tenements which include the previously mined Mt. Mongor and Randalls Mine Centres, are owned 100% by Solomon and Management is currently in negotiation with a potential operator/buyer for these tenements.

In Chile, Solomon has completed detailed gravity, IP and magnetic surveys at it's 100% owned Annie IOCG Project, near Copiopo, Chile. The geophysical surveys were successful in identifying at least one major exploration target beneath the Santa Candilaria 11 and 1/5 tenements which require testing by diamond drilling. Contracts for a 2000 metre, 5 hole program are currently out for tender. The target at Annie IOCG Project is a multi-million ton, open pit, copper-gold deposit similar to the Phelps Dodge Candilaria mine, 25km to the east.

Your Company recently acquired the Metla Gold Project in North Central B.C. were in 1988-89, Teck Cominco geologists located and sampled 155 gold, copper and zinc mineralized boulders within a 600m by 1,500m corridor. The 155 boulders averaged 0.28 oz/ton gold.

Solomon has acquired an extensive land position around the Metla property and will be expending over $500,000.00 exploring this discovery this summer.

Management is also negotiating agreements to acquire several other prospective gold projects in Northern BC and Yukon.

The Company does have an investor relations contract with Mr. John Kocela. Mr. Kocela receives $3,000 per month for his services and was granted 200,000 stock options at $0.30. The contract may be terminated by either party with 30 days notice. Larry Nagy, the president of Solomon is also available to answer shareholder inquiries.

The Company is not involved in any legal proceedings, nor does it have any debt obligations. It's only contingent liabilities would be to the extent that the reclamation bonds in Australia are insufficient to cover the costs of restoring the Company's claims. This can't be quantified at this time. There have been no management changes in the period or special resolutions passed by the shareholders. There are no pending regulatory approvals nor is the Company in breach of any corporate or securities laws.

3. SUBSEQUENT EVENTS

None

4. FINANCINGS, PRINCIPAL PURPOSES AND MILESTONES

Solomon's funds on hand are not committed to any specific project.

5. LIQUIDITY AND SOLVENCY

At January 31, 2004 Solomon had working capital of $678,697. The Company's general and administrative costs net of income are $36,000 per month. The internal sources of funding available to the Company are through the sale of properties or through the sale of its investments. The future of the Company depends on making an economic success of its existing properties or raising new funds by the sale of shares and finding new projects.