Quarterly Report

REPORT FOR THE JUNE 2006 QUARTER

HIGHLIGHTS

Nickel

- Percussion drilling of 552 metres at Shamrock and Black Snake Prospects
- 12m from 2m @ 1.35% Ni, 0.04% Co and 0.2% Cu intersected at BLA-6 step out hole at Black Snake prospect
- Desktop polygonal inferred resource estimate for Black Snake nickel trend results in 792,000 tonnes of 0.87% Ni and 0.07% Co with 0.4% Ni cut off in two separate accumulations.
- Ground electromagnetic survey outlines possible sulphide anomaly beneath Black Snake prospect
- Leach tests of Black Snake nickel saprolite in progress
- Planning for infill drilling at Mt Cobalt and Black Snake nickel prospects
- Poperima Creek nickel laterite tenement near Monto, SE Qld granted

Anduramba Molybdenum

- Revised scoping study reveals modelled cumulative operating surplus of A$184 m at current metal prices for a 2 mtpa sulphide only operation
- Five additional local targets with similar potential under field review
- Feasibility and development strategy under review

Solomon Gold plc

- Significant copper Gold porphyry discovery in the Sutakiki Valley, Guadalcanal, Solomon Islands

D'Aguilar Block Gold Copper

- Independent prospectivity analysis of entire D'Aguilar Block in progress by Kenex Knowledge Systems
- High Grade Gold drill target generation and finalization of drill hole preparation at Windera, South Burnett, Itchy Quid, Long Tunnel, Ortts and Dranes Gully.

Mt Isa Block

- Four new project areas prospective for iron oxide copper gold uranium and granite related molybdenum uranium mineralisation in the Cloncurry Mt Isa area.

New Projects

- New project areas applied for at Bathurst, east of Cadia in NSW, (Cu Au porphyries), Cressbrook Creek near Anduramba (Cu Au Pb Zn Ag volcanogenic massive sulphides)

Corporate

- Cash of $0.6m at the end of Quarter
- Share Purchase Plan underway to raise up to $1.25m. The Plan is underwritten to $800,000 and will close on 4 August 2006.

This announcement has been prepared by Nicholas Mather BSc Hons Geol, a person with over five years experience in the area reported on.

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ACTIVITIES DURING THE PAST QUARTER

NICKEL

Black Snake Nickel Project

Drilling

Further promising nickel intersections were confirmed at Black Snake. Two of the deeper RC percussion holes to test beneath previous quarter's shallow higher grade intersected nickel and cobalt mineralisation in weathered serpentinite and saprolitic / lateritic lithologies (see table below) confirmed earlier encouraging results, but no significant depth extent at these two locations.

Results were BLA-6; 12m from 2m @ 1.35% Ni, 0.04% Co and 0.2% Cu; and BLA-7; 22m from 0m @ 0.93% Ni, 0.03% Co and 0.3% Cr.

As reported last quarter, using a 0.4% Ni cutoff, the nickeliferous zone extends for 900m parallel to and offset to the west of the Mount Mia Serpentinite-Station Creek Adamellite contact. Nickel saprolite/laterite mineralisation is up to 26m thick from surface.

A preliminary inferred resource assessment using the located historic drilling data for 48 holes (29 with mineralisation), and the 2006 D'Aguilar drillholes (8 mineralised) was completed, using polygonal inverse distance weighting between drillholes. Using a 0.4% Ni cut-off, minimum 4 m thickness, and SG of 1.7, an inferred resource of 792,000 tonnes grading 0.87% Ni and 0.07% Co in two separate zones at Black Snake has been calculated. There is potential for mineralisation between the two bodies, separated by 350m distance, and to the east of the northern body.

Further drilling is required to infill the 900 m corridor. Drilling planning is in progress.

Ground EM Survey

A time-domain electromagnetic (TEM) test survey was completed during May 2006 at the Black Snake prospect area. The survey was undertaken to determine if the TEM method could delineate conductor targets associated with potentially economic nickel mineralisation encountered in drilling.

Three lines were surveyed over the geochemically anomalous zone. The surveys delineated several conductive features, some of which appear to be associated with zones of known nickel mineralisation.

Modeling was undertaken on the conductor anomalies inferred to have potential association with sulphide mineralisation. One higher priority and two moderate priority conductor targets are considered worthy of further investigation.

The results of the test TEM survey have provided some scope for delineating potential zones of economic sulphide mineralisation at the Black Snake prospect.

Leach Test

A composite drill sample of 5 metres comprising 22kg of saprolitic serpentinite drill chip material, from hole BLA-6 containing +1% nickel was forwarded to Xstrata Metallurgical Laboratories for nickel leach tests. Results are expected by the end of the 3rd quarter

Host Rocks

Preliminary petrological reports on a suite of samples from drillholes in the Black Snake laterite has revealed that the host parent of the deposit is a metamorphosed and serpentinised peridotitic ultramafic rock. Traces of relict chromite are visible in the serpentinite, accounting for high background levels of chromium. Subsequent weathering processes have led to formation of various clay and oxide minerals containing the nickel.

Minor irregularly disseminated chalcopyrite and traces of awaruite (iron-nickel compound) and pentlandite (iron-nickel sulphide) are also evident in the samples.

This work and the previous location of the nickel sulphide minerals pentlandite millerite and violarite in the Mt Mia area to the south of the Shamrock line is encouraging for the pursuit of contact related nickel sulphide deposits at Black Snake and Cobalt lode.

Black Snake Drillhole Table – 2nd Quarter

Drillhole Id	Location	Deposit Style	Easting	Northing	BNG MAG	BNG MGA	Dip	Hole Depth	From (metres)	To (metres)	Length (metres)	Intersection	Host Rock
BLA 6	14372 Black Snake Ni	Ni Laterite/ Saprolite	429841	7099809	63	73	70	114	2	14	12	1.35% Ni, 0.04% Co, 0.22% Cu	Hornfels Ultramafic
BLA 7	14372 Black Snake Ni	Ni Laterite/ Saprolite	429837	7099909	70	80	70	90	0	22	22	0.93% Ni, 0.03% Co, 0.3% Cr	Hornfels Ultramafic

Cobalt Lode Nickel

Planning is underway to site drillholes for further testing along strike of encouraging Ni-Co-(Cu) intersections encountered in the last quarter. The Cobalt Lode prospect covers an area of 400 x 400 metres with soil sample results over 4,000 ppm nickel and rock chip results up to 1.6% nickel. Previous agitated leach tests returned 75% Nickel recovery from a surface sample of the weathered laterite with a head grade of 1.6% nickel. Previous drilling on the Cobalt Lode prospect has returned up to 30 metres at a grade of 0.46% nickel from surface and this hole was located outside of the 4000 ppm Ni contour. The hole ended in mineralization at 0.46% nickel and 0.11% copper.

D'Aguilar has commissioned and expects shortly, the results of a detailed magnetic interpretation of the area which is expected to identify further prospective targets on the contact between the serpentinite and various prophyritic intrusives.

D'Aguilar believes that the results of leach testing show that there is potential for extraction of nickel and cobalt at atmospheric pressures and temperatures. The scope for a significant resource at the Black Snake plateau and nearby Cobalt Lode is considerable.

Mt Mia Nickel prospect

Six shallow to moderate depth RC percussion drillholes for a total of 348m were completed to test the extent of the Mt Mia surface nickel anomalous area south of the Shamrock Gold mine. The prospect area has previously yielded up to 0.5% Ni in soil and rock sampling.

The drilling confirmed elevated Ni to 0.32% in only the top 2 metres in most holes. The background serpentinite intersected in all holes averaged 1,500 ppm Ni.

The prospect still retains the company's interest as microscopic pentlandite, violarite and millerite Co-Ni minerals have been identified in the host serpentinite.

Assessment for new areas of possible sulphide nickel mineralisation is in progress.

Mt Mia Nickel Drillhole table – 2nd Quarter

Drillhole Id	Location	Deposit Style	Easting	Northing	BNG MAG	BNG MGA	Dip	Hole Depth	Host Rock
SHA_1	11192 Shamrock Ni	Ni Laterite/Saprolite	427557	7097460	77	87	60	54	Ultramafic
SHA_2	11192 Shamrock Ni	Ni Laterite/Saprolite	427602	7097465	59	69	60	48	Ultramafic
SHA_3	11192 Shamrock Ni	Ni Laterite/Saprolite	428142	7097158	309	319	60	66	Ultramafic
SHA_4	11192 Shamrock Ni	Ni Laterite/Saprolite	428162	7097132	325	335	60	60	Ultramafic
SHA_5	11192 Shamrock Ni	Ni Laterite/Saprolite	428229	7096990	26	36	60	66	Ultramafic
SHA_6	11192 Shamrock Ni	Ni Laterite/Saprolite	427773	7097518	256	266	60	54	Ultramafic

Widgee Nickel

Reconnaissance traverses of the McCarthy's and Petersens Copper – Nickel prospects have commenced. Earlier 1960's drilling intersected up to 13.7% Cu, 0.3% Ni and 0.26% Co over 1.2 feet from 52.7 feet below collar at Petersens.

Wallaville Nickel

D'Aguilar has recognised past explorers co-incident stream sediment Ni-Co elevated geochemistry over a large basalt covered 3 kilometre diameter strongly magnetic feature at Berrembea, near Gin Gin, central Queensland. Minor copper staining was observed in a possible micro gabbro intrusion in a road cutting overlain by younger basalt. Some lateritisation of the basalt is evident. A detailed three dimensional interpretation of the existing aeromagnetic data and rock chip, soil and stream sediment sampling of the prospect was completed with results awaited.

ANDURAMBA MOLYBDENUM PROJECT

During the quarter, the Anduramba Molybdenum Project, situated 16 kms NE of Crows Nest and 1½ hours west of Brisbane, was the subject of a detailed reassessment, utilizing external advice as required from mining and processing consultants. Resource definition and modeling, draft mine design and planning advice is being provided by Coffey International.

D'Aguilar has received the results of a further independent scoping study on the Anduramba Molybdenum project which shows a cumulative net operating cashflow surplus of $184 million based on an inferred resource of 14.4 million tonnes of ore with a grade of 0.065% Mo, as molybdenite (sulphide Mo) and 0.0275% Copper at a strip ratio of 1.6:1 waste to ore. The following assumptions were used in the study:

1. Molybdenum Price USD 25/lb
2. AUD/US exchange rate of .75
3. Copper USD3.20/lb
4. Total mining and milling molybdenum recovery of 80% and copper recovery of 70%
5. Ore mining rate of 2mtpa
6. Capital costs of A$45 million
7. No value in the assessment for the oxide molybdenum content.

The project demonstrates upside for additional ore on the southwest and northern end of the Anduramba ore body where the lower limit has not been defined. D'Aguilar intends to investigate the potential for the recovery of up to a further 5 million pounds of contained molybdenum in the oxide portion of the mineralised deposit and not included in the current resource calculation or modelled cashflow surplus.

In addition, as previously reported, D'Aguilar is currently exploring five other targets within 15 km of Anduramba, (Bunya, Bluff Mt1 &2, Maronghi Creek, and Middle Creek) which may, if successful yield further molybdenum ore. Additional savings in operating cost reductions are also being investigated.

On the current assumptions and assessment of costs the project break even molybdenum cost is USD16 /lb.

D'Aguilar intends to conduct a drilling program in the next quarter to recover metallurgical samples to assess the recoverability and potential profitability of the oxide molybdenum. If realized, these additional molybdenum resource targets and the oxide component over the existing resource would significantly enhance the projected earnings of the Anduramba project. Further, management has identified an opportunity for enhancement of the grade of the existing resource with infill drilling in the centre and richer core of the deposit. Investigations into high grade resources within truckable distance to provide plant feed to augment a plant at Anduramba are continuing.

Options for providing the necessary capital to complete the full feasibility and then fund development of the mine and processing plant continue to be examined.

BAN BAN ZINC PROJECT

The deposit is of zinc skarn style and was explored by Esso, CRA and East West Minerals between 1967 to 1988 and has been reported to contain approximately 1.5Mt @ 7% Zn, with credits in copper, lead and silver. The 1.3km long skarn structure hosts the 400m long drilled lens containing the stated resource, however only sparse drilling has occurred outside this zone and the company is investigating the along strike, lateral and down-dip potential of the deposit. Copper is observed to increase with depth in deeper drillholes.

Last quarter it was reported that Exploration, by previous explorers, neglected the gold potential of the lode and immediate environs. Soil reconnaissance traverses targeting gold are planned for the next quarter.

COPPER GOLD PROJECTS

D'Aguilar Block Gold Copper Project

During the quarter the company completed its drilling program in the D'Aguilar Block. Following the 1st quarters results the company undertook a review of it's tenement portfolio and commission an independent analysis of all topographic, geochemical and geophysical data on the entire 8,000 sq km tenement package.

Smaller but high grade gold resources were identified as valid targets to provide resources to accelerate cash flow for the Company. Expedited planning for drilling for high grade resources has commenced and will be executed in the coming quarter.

Final drilling assay results were received for drilling completed at Peenam and Gibraltar prospects during the last quarter. Results did not reveal ore grade intersections but continued to confirm large mineralized porphyry systems.
The area will be reassessed as part of the entire prospectivity review currently underway.

Peenam

Assay results from the 3rd hole into the prospective porphyry targets was received. Hole PEE-3 had tested the flank of a breccia hill 250m to the northwest and had intersected pyrite and

propylitically altered porphyritic diorite. Assays were disappointing with 6m from 84 m returning 0.19 g/t Au and 0.1% Cu.

There is scope for further exploration for copper/gold at Peenam, using geophysical techniques. The priority for this work is subject to the results of the prospectivity review.

rillhole ID	Location	Deposit Style	East	North	BNG MAG	BNG MGA	Dip	Hole Depth	From (metres)	To (Metres)	Length (metres)	Intersection	Host Rock
PEE-3	13361 Peenam	Porphyry Cu-Au	421892	7081848	160	170	60	120	84	90	6	0.19% Cu, 0.1 g/t Au	Diorite porphyry

Gibraltar

Two holes for a total of 155m were completed on 2 of 5 drill targets last quarter

Assays received were disappointing and are summarised in the table below. The remaining three drill targets have been downgraded at present.

Drillhole Id	Location	Deposit Style	Easting	Northing	BNG MAG	BNG MGA	Dip	Hole Depth	From (metres)	To (metres)	Length (metres)	Intersection Au (ppm)	Host Rock
GIB-1	13359 Gibraltar	Porphyry Copper	437466	7108697	310	320	60	71	52	60	8	0.18% Cu	Granite porphyry
GIB-2	13359 Gibraltar	Porphyry Copper	437432	7108545	130	140	60	84	44	48	4	0.15% Cu	Andesite

Manumbar

The Manumbar prospect is being re-assessed for high grade near surface and underground resources previously unexploited.

BEST FOLLOW UP TARGETs

South Burnett

The South Burnett Gold Mine located 5 kilometres north of Tansey was discovered in 1919, From 1934 until 1942 the mine was sunk to the 285 ft level (87m), and produced 3,152 t of ore for a yield of 1,311 ozs gold and 1,188 ozs silver. The gold was hosted in north trending sub-vertical quartz and quartz-calcite veins intruding weakly metamorphosed carbonaceous mudstones, greywackes and andesites. Several trachyte and trachyte porphyry dykes appear spatially related to gold mineralisation at surface and at depth. The mine was closed during World War II.

Exploration in 1966 by Qld Mines Department included soil sampling, cursory surface mapping, and drilling of 9 holes beneath the mine shaft and workings. A total of 1220m of core drilling was completed in 9 inclined holes, testing 230m of strike of the deposit, and 50m below the 285 foot level. Three holes had to be abandoned due to bad drilling conditions in sheared soft mudstones.

Best drillholes results included:

NS11 - 22.7m @ 1.04 g/t Au from 130m;
NS12 - 1.3m @ 13.2 g/t Au, 12.4g/t Ag from 141m, and 1.9m @ 9.6 g/t Au, 15.2 g/t Ag from 155m;
NS15 - 8.7m @ 1.3 g/t Au, 4.1 g/t Ag from 53m;
NS16 - 1.2m @ 25.4 g/t Au, 46 g/t Ag from 115m;
NS32 - 9.3m @ 0.15 g/t Au, 27 g/t Ag from 137m.

The intersections variably occur in “andesite, trachyte, graphitic mudstone, quartz veins and stringers, quartz-calcite, and quartz vein in conglomerate”.

Surface sampling, by the Queensland Mines Department in 1967, reported 9 anomalous gold and silver-in-soil anomalies, over a wide area within the trachyte dyke distribution.These were discounted at the time.

In 1997 an exploration company explored the South Burnett workings outside the then mining lease, and the nearby ABC and Star of Dawn workings operated 1.2km to the NNW. Two hundred metres to the NNE of South Burnett shaft, samples of altered and stockwork quartz veined trachyte subcrops returned up to 9.7 g/t Au and 61 g/t Ag. Several nearby small scrapes and diggings of similar lithologies register 0.1 to 1 g/t Au.

At ABC prospect both dump and insitu rocks collected from silicified bleached ferruginous sandstone to altered trachyte assayed between 1 to 3 g/t Au. Trenching across the contact returned 32m @ 0.3 g/t Au and 22m @ 0.4 g/t Au in siliceous and carbonaceous bleached siltstone /mudstone.

At Star of Dawn, to the north west, similar sediments and dykes with andesite, with and without quartz-calcite veining in dumps and strata returned values up to12 g/t Au. Trenching returned a best result of 4m @ 1.6 g/t in unveined, silicifed and weathered sandstone/chert. Some 0.1 – 0.3 g/t Au zones over 2m were also observed.

D'Aguilar's review of previous work has shown prospectivity at the South Burnett, ABC and Star of Dawn for:

- Gympie-style mineralisation where subvertical quartz and quartz-calcite veins intersect "productive" beds, usually graphitic and carbonaceous sediments, and silicified conglomerate (breccia?) producing high gold grades;
- Bulk tonnage intrusive-style gold mineralisation in arsenical trachyte (porphyry), sometimes veined by quartz and quartz-calcite sheets/stockworks, and often unveined;
- Bulk tonnage sediment hosted carbonaceous to carbonate rich gold, and silicified sediments/chert hosted gold mineralization, similar to that in the Carlin region in Nevada, USA

During the next quarter D'Aguilar intends to determine the geometry of the 1966 drilling that shows depth potential beneath the 285 foot level at South Burnett. The vein has bifurcated at depth and is increasing in grade 50m below the historic mining level. D'Aguilar intends to test the vein with RC drilling with diamond core tails if required.

The ABC and Star of Dawn areas require drill testing of the auriferous lithologies outlined in previous workers trenches. Overall the mineralized structures cover some 800 metres of strike and are up to 10 metres wide. At historic average mining grades in the area and with potential for lower grade envelopes and stockwork quartz vein systems at grades historically too low but now attractive, D'Aguilar believes there to be potential for the definition of a significant resource at the South Burnett – ABC – Star of Dawn workings

Itchy Quid

The Itchy Quid prospect at Woolooga, north east of Kilkivan contains old workings exploiting narrow quartz veins. The prospective zone has surface dimensions of some 1km strike length with width of between 50 to 200m. Stacked quartz veins of 10 – 50cm individual vein widths occur in up to 15m wide zones and strike lengths from 50m to 150m.

Previous workers collected 14 samples with > 15 g/t Au and another 30 samples between 2 g/t to 15 g/t Au scattered throughout the prospect. Subsequent costeans with channel samples returning up to a maximum 7m @ 4 g/t Au are encouraging.

Previous corehole drilling by Freeport returned a best interval of 8m @ 7.7 g/t Au from 10m below surface. GEGM re-assayed the interval and returned 7m @ 11.5 g/t Au from 12 m, identifying stacked veinlets in the near surface oxide and transitional zone. Similar veins with some sulphidation in the primary zone only return wide intervals of between 0.1 to 0.5 g/t Au.

Gympie eldorado Mines (GEGM) subsequent percussion drilling of various targets returned further shallow and significant intersections in the oxide/transition zone including 2m @ 11 g/t Au from 19m; 6m @ 2.8 g/t Au from 26m; and 3m @ 4.5 g/t Au from 9m.

D'Aguilar intends to retest the Itchy Quid prospect by shallow closely spaced drill testing for multiple small shallow high grade gold deposits suitable for early exploitation in conjunction with other high grade resources in the area.

Long Tunnel

Previous tunnelling in the late 19th and early 20th centuries and limited drilling by other explorers has identified high grades at Long Tunnel with 1m assays to 15 g/t Au at moderate depth in previous (other explorer) hole MBRC 3. The trend of ferruginisation and alteration associated with the gold occurrence trends northerly along a fault structure that has displaced the brittle quartz porphyry host. Soil gold results across this structure 50m to the north are outstanding with adjacent values of 5.1 and 15.6 g/t Au, and 50m further north there are pits and other high soil values.

D'Aguilar considers there is small to moderate tonnage potential with a maximum strike of about 150m, over an unknown width. Gold grades are distributed over a fracture system rather than a simple vein at Long Tunnel.

D'Aguilar plans three holes to test this structure in the next quarter. A fourth hole has been sited to test a cluster of pits and high soil gold (8.65 g/t Au) offset to the main structure.

At Long Tunnel North, previous tunneling and drilling has shown that the gold zone is a complex of veinlets and fractures which plunge north to northwesterly with a shallow to moderate dip. No drillhole has previously intersected the centre of this mineralised body. D'Aguilar considers there is a potential tonnage within a 150m x 75m zone to a depth of 50metres in the oxide zone for ore grade mineralisation, Four holes are planned for the next quarter, to test the northerly interpreted plunge of the centre of this zone.

Windera

A seven hole program has been outlined to test an intersecting structure not followed up by earlier explorer drilling that intersected narrow veins at Golden Spur mine typically 1m true width with up to 29g/t Au.

Two km to the south the widest vein system seen to date by D'Aguilar geologists is the Tuffnut vein, located 100m north of and parallel to the vein mined at Red Rock mine, and is up to 10m wide in a complex vein zone. Best of 3 rock chip samples taken by competitors was 14 g/t Au, but never drill tested. Recent D'Aguilar cyanide leach soil results of up to 114 ppb Au has confirmed potential mineralised structures along the ESE Tuffnut trend, and extending ESE also from the Red Rock mine.

Drillhole planning is underway for testing in the coming quarter.

Ortts

The Ortts prospect is a complex vein of quartz, calcite and breccias which hosts silver lead and zinc mineralization. The vein appears to be related to the Sawpit porphyry prospect on its southeastern end. The Ortts vein system contains gold values up to 7 g/t over 500 metres strike length and 3 metres wide. The vein has been worked in shallow trenches and underground workings. D'Aguilar has planned five holes into the prospect in the next quarter.

Dranes Gully

Last quarter results from Dranes Gully confirmed poddy contact and skarn style mineralisation, with further soil lines locating isolated highs of 450 ppb cyanide leach Ag and 74 ppb cyanide leach gold. Rock chip assays of up to 28 g/t gold have been returned from the prospect in previous mapping programs. The prospective zone occurs over a 2km^2 area and the outcropping high grade zones are up to 2 m wide.

Drilling is planned next quarter as a suitable 4WD drilling rig has been booked.

Breakneck Creek

Last quarter's reconnaissance soil sampling program was completed on the gold-in-granite project at Breakneck Creek, south west of Gympie. Three reconnaissance lines encountered mainly intrusive derived soils in high relief areas with steep gullies. Assays were somewhat disappointing, but there is scope for further reconnaissance as the system is large. Current State Forest logging operations will delay further work until later in the year.

WORK DEFERRED

The low grade gold tenor at Court Le Roi has been re-assessed, and it is now placed lower on the drill priority list as D'Aguilar chases high grade near surface gold.

No work was conducted on the following prospects during the quarter: Tansey Porphyry, White Rocks, Gayndah, Almavale, and West Coast Creek.

DOWNGRADES

During the quarter the following prospects were down graded by reconnaissance work: Running Creek, Elginvale –Ollenburgs-White Twine, King Creek and Sawpit.

NEW PROJECTS

During the last quarter the Company applied for four new exploration targets:

- Bathurst, NSW

  D'Aguilar has applied for a 160 km^2 exploration area south of Bathurst in New South Wales. The area covers the historic copper gold mines at Apsley, Red Hill, Davies, and Cow Flat. These historic mines and prospects had previously been regarded as volcanogenic massive sulphide deposits. However D'Aguilar's interpretation is that they are skarn systems related to porphyry intrusions. The area covers some 50 different mineral occurrences. Mineralisation is characterised by the presence of such diagnostic species as magnetite, garnet, molybdenum and copper, with peripheral zinc mineralisation. The area contains a number of untested significant magnetic features interpreted as porphyries and NSW geological Survey notes refer to the Apsley and Cow Flat Systems as "Very Large". D'Aguilar believes that metal zonation patterns in the existing occurrences may direct the Company to a significant core mineralised porphyry system.

  The area lies on the interpreted Lachlan Transverse Zone which hosts the world class mines such as Cadia (100 km to the west) and North Parkes as well as the Mineral Hill Mine. D'Aguilar is awaiting grant and no work has yet been conducted.

- Cressbrook – Buaraba

  The D'Aguilar Gold application for an Exploration Permit over the Cressbrook – Buaraba Creeks area, located 15km west of Esk is considered prospective for volcanic hosted massive sulphide deposits (with or without gold) and stockwork quartz vein hosted gold deposits.

  A number of historic base metal occurrences are recorded in this geological formation. Small scale mining for copper, lead, zinc and silver occurred sporadically in the early part of the 20th century.

  Drilling by CRAE encountered significant gold and base metal intersections, at the Kippa Creek prospect within the prospective Permian lithologies. Best results included 3 separate holes assaying 14m @ 1. 12 g/t Au and 0.2% Zn; 8m @ 0.42 g/t Au, 0.9% Cu, 0.8% Zn, and 2m @ 2.37 % Cu. Several areas of base metals drainage anomalies and soil ridge and spur anomalies within a zone measuring 11km of strike length, have not been followed up since that time.

  With the significant price rises in gold, copper lead and zinc in 2005-2006 D'Aguilar Gold Ltd sees an opportunity to re-evaluate the Cressbrook Creek area for economic mineralisation. No work was conducted during the quarter. A mapping and sampling program is planned for the next quarter pending grant of the title.

- Poperima

  This EPM application near Monto has recently been granted. The area is prospective for Nickel laterite mineralisation which may be amenable to acid leach extraction.

Mt Isa Block Iron Oxide copper Gold Uranium projects

D'Aguilar has planned a program of exploration in the Cloncurry-Mt Isa block in north Queensland. The Company has applied for six exploration permits for mineralisation in the region. The areas are considered prospective for the development of iron oxide copper gold styles of mineralisation and coincident copper, molybdenum, uranium and gold mineralisation.

Solomon Islands Gold – Copper Projects – Solomon Gold Plc float

During the quarter, Solomon Gold plc continued to conduct mapping sampling and drilling operations on the Guadalcanal Solomon Islands copper Gold porphyry prospects. Drilling operations were hampered by logistic issues which have now been resolved. The company has recently discovered highly significant mineralisation in the Sutakiki Valley over an exposed intrusive porphyry system covering a drainage area of 4 km^2. A copy of the Solomon Gold announcement is appended to this report. D'Aguilar holds 500,000 shares in Solomon Gold in its own right and D'Aguilar shareholders who were on the register of D'Aguilar on 8th November 2005 are entitled to be registered on the Solomon Gold register on 10th August 2006 in respect of a prorata distribution of 10.5 million Solomon Gold shares.

Corporate – Share Purchase Plan

Company has opened a Share Purchase Plan ("Plan") to raise up to a maximum of $1.25 million (before issue costs).

The Plan involves the offer of a maximum of 25,000,000 new shares at an issue price of $0.050. The issue has been underwritten to the extent of 16,000,000 shares at 5.0 cents each guaranteeing a minimum raising of $800,000.

Shareholders registered on the Company's share register at 7pm on the Record Date of the Plan are entitled to take up, at their election, either:

- $3,000; or
- $5,000

of new shares at the issue price of 5.0 cents per share.

Proceeds of the Plan are planned to be expended on contributing to the Company's nickel, molybdenum and gold assets plus meeting the costs of the Plan and working capital.

The Plan documentation was dispatched to shareholders on 3 July 2006 and Plan currently remains open.

The key dates for the Plan are as follows:

Record Date of the Plan	Thursday	29 June 2006
Opening Date of the Plan	Monday	3 July 2006
(Revised) Closing Date of the Plan	**Friday**	**4 August 2006**
Shortfall Applications and funds received from the Underwriters of the Plan	Monday	14 August 2006
Issue and Allotment of new shares under the Plan	Friday	18 August 2006

On behalf of the Board
D P Cornish
Company Secretary
D'Aguilar Gold Ltd

CORPORATE INFORMATION & DIRECTORY

DIRECTORS

Christopher Rawlings (Non-Executive Chairman)
Nicholas Mather (Managing Director)
Ian Levy
Brian Moller
Vincent Mascolo

COMPANY SECRETARY

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EXPLORATION MANAGER

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SHAREHOLDING ENQUIRIES

Link Market Services Limited manages D'Aguilar Gold Ltd's share registry.

If you would like to monitor your shareholding online, you can do so by visiting Link Market Services Limited's website, www.shares.com.au and following the instructions.

For issuer-sponsored shareholders, if you change address, or if you have any other queries regarding the details of your shareholding, please contact the Company's share registry directly:

Link Market Services Limited
Level 22, 300 Queen Street
Brisbane QLD 4000
Phone: +61 (0)7 3228 4000

ISSUED CAPITAL

At 30 June 2006, D'Aguilar Gold Ltd had the following securities on issue:

- 89.8 million ordinary shares
- 3.35 million (unlisted) 12.7c staff options expiring 31/7/08
- 19.2 million (unlisted) 19.7c options expiring 30/9/08

AUSTRALIAN STOCK EXCHANGE ("ASX")

ASX Codes: DGR (Ordinary shares)
DGRO (19.7c Options expiring 3/3/06)

INTERNET ADDRESS

All Company announcements, reports and presentations are posted on our website www.daguilar.com.au

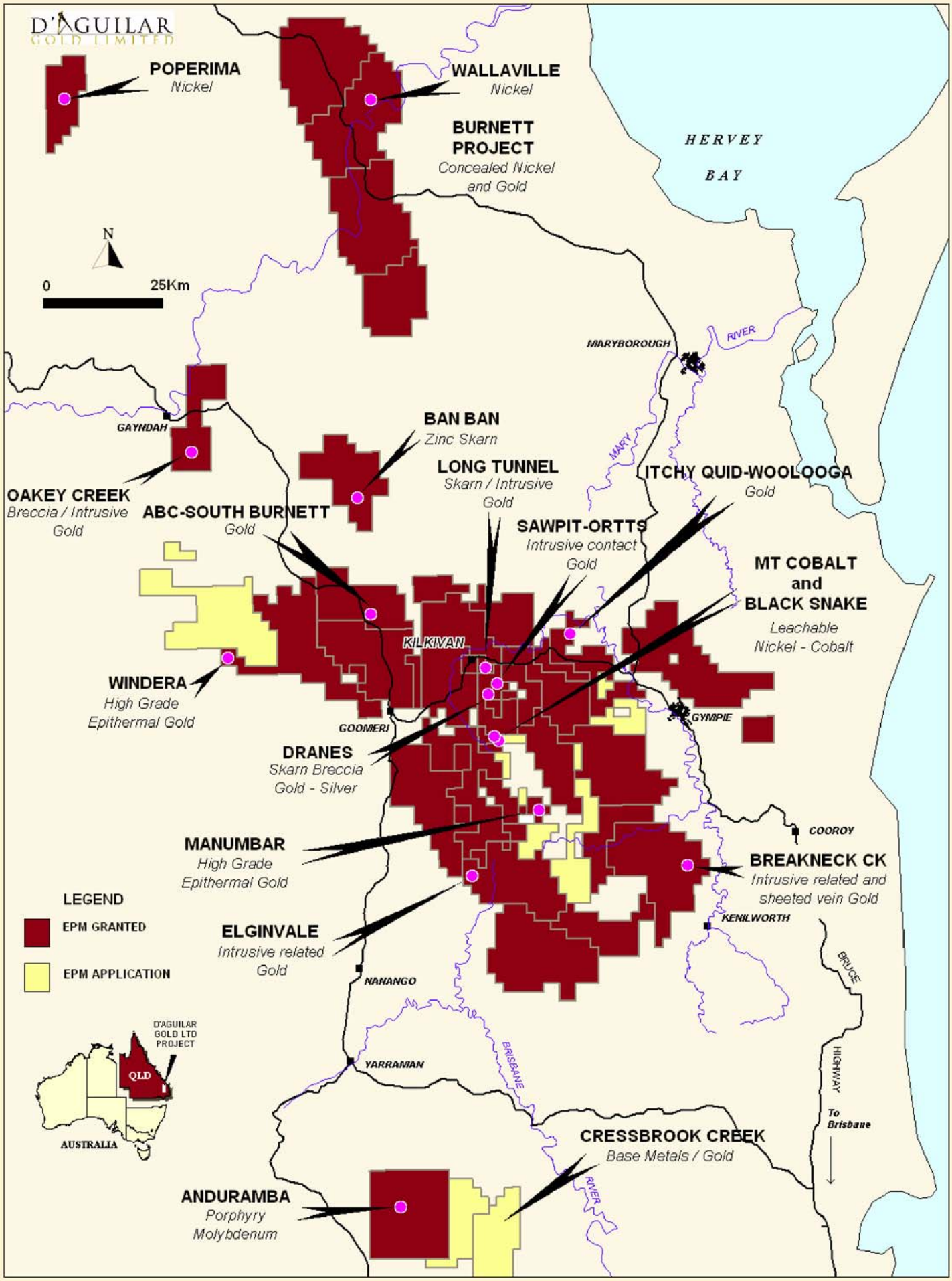
If you would like to receive news releases by email, please send us an email to info@daguilar.com.au with the subject "email alerts" or register your details on our website by clicking "Contact Us" and entering your details.

Website: www.daguilar.com.au

AUSTRALIAN BUSINESS NUMBER

ABN 67 052 354 837

The information on ore reserves, mineral resources and exploration results contained in this report are based on information compiled by Mr Nicholas Mather who is member of the Australian Institute of Mining and Metallurgy. Mr Mather has relevant experience in relation to the mineralisation being reported on, to qualify as a Competent Person as defined by the Australasian Code for Reporting of Mineral Resources and Reserves.



TENEMENTS AND KEY PROSPECTS
(JULY 2006)

Regulatory Announcement

Go to market news section

Company	Solomon Gold PLC
TIDM	SOLG
Headline	Operations Updated
Released	08:46 26-Jul-06
Number	7393G

RNS Number:7393G
Solomon Gold PLC
26 July 2006

Solomon Gold plc - Operations Update 26/7/06

Summary and Highlights

- Commencement of drilling on the Hambusimaloso North target (Mbetilonga)
- Encouraging sampling results from first pass at Sutakiki
- High grade copper - zinc skarn mineralisation identified at Vuralanggoma (Mbetilonga)
- Next drill target at Hahala porphyry prospect (Mbetilonga)

Introduction

Solomon Gold plc ("Solomon Gold" or the "Company") was admitted to AIM on 10 February pursuant to a £5m placing by Williams de Broe plc. Solomon Gold is exploring for world class copper-gold targets on Guadalcanal, Solomon Islands. The project area is located on the southwest Pacific Rim of Fire, which belt hosts numerous ore bodies including Ok Tedi, Panguna (Bougainville) and Lihir. Solomon Gold commenced a drilling program which was hampered by drilling support and logistic issues, sample transport problems, the establishment of a sample preparation facility, a requirement to negotiate a new helicopter service contract, landowner negotiations and riots as result of racial tensions.

These issues have now been resolved and the Company is making important advances in the exploration of the area.

Solomon Gold now has a more powerful helicopter at its disposal and a new drilling contract which has provided for re-equipping and additional support for the drilling rig by the contractor. The Company recommenced drill testing on the Hambusimaloso target on 22 July 2006 with drill hole MB03.

A complete copy of this update may be viewed with a map on the Company's website www.solomongold.com

Mbetilonga (PL04/05)

During the past quarter Solomon Gold field crews have continued to upgrade mapping and sampling information in the core Mbetilonga project on Guadalcanal, 15 km south of the capital, Honiara. Two drill holes were drilled on the southern section of the Hambusimaloso copper anomaly, a 1.3 km2 area of soil

sampling results over 1,000 parts per million copper. Only one of these holes (MB02) adequately tested the anomaly at the drill site and the other hole (MB01) failed to reach the target as a result of equipment failure. These issues have been resolved with the renegotiation of the drilling contract and a new drill target location has been identified 450 metres north of the initial drill holes. This hole site (MB03) has been located on the basis of an interpretation of copper and molybdenum anomalism which strengthens to the north from Hambusimaloso, and the results from MB02. Both MB01 and MB02 returned consistent low grade copper mineralisation which was predominantly localised in sporadic thin veins and shears and common in fragments of mineralised volcanics and intrusive porphyry containing visible chalcopyrite in the drill core. The holes intersected essentially barren sediments underneath the fractured volcanics.

Hole	Azimuth degrees	Declination degrees	From (m)	To (m)	Intersection (m)	Copper grade
MB01	030	-70	40	48	8	0.26%
MB02	300	-70	46	66	20	0.07%

The origin of the mineralised fragments in the fractured volcanics has not yet been determined. The geology at Hambusimaloso has not yet been resolved and the complex package of sediments and volcanics appears to be masking the intrusive source of the abundant copper mineralisation at surface. It appears that north east oriented faulted and fractured zones are more broadly anomalous and that the structural corridor on this trend between Hambusimaloso and Hahala is therefore a priority drill target. The Company will visually assess the result of MB03 prior to drilling further holes at this location or moving the rig to Hahala.

At Hahala, 1.1 kilometres to the north north east of the Hambusimaloso North drill hole MB03, the Company has outlined a high priority gold drill target, 400 x 400 metres and open to the north, coincident with a porphyry style aeromagnetic signature, strong gold values in soil samples and outcropping intrusive porphyry rocks. Field mapping and sampling is continuing with extensions of the soil sampling lines to the north and west of the Hahala and the nearby Upper Chipakalau area, prior to drill testing.

At Vuralanggoma, 5 km east of Hambusimaloso, float samples of epidote skarn rocks rich in visible zinc and copper minerals sphalerite and chalcopyrite, have been located and these samples assayed up to 9.8% copper. Although the outcrop location of this material is not yet identified, the mineralisation, based on soil sampling, occurs over a 300 x 500 metre zone. Previous drilling by Utah in the 1970s yielded 38m at a grade of 0.34% copper in volcanic agglomerates overlying and intruded by a diorite porphyry complex. The hole also intersected a narrow zone of fractured and mineralised porphyritic diorite, grading 1.0% copper at a depth of 208 metres. No gold assaying was undertaken. Regional outcrops Strong gold anomalism in the soil sampling grid has been outlined by Solomon Gold and it is intended that the Company drill test this anomaly, and the copper zone located immediately west of the old Utah holes following completion of the soil sampling grids in the area.

In addition, infill soil sampling lines are planned over the 200 metre spaced soil sampling grid at Vurakuvekuve, south east of Hambusimaloso, to further delineate NE trending copper - molybdenum anomalies which may signify porphyry sources to the widespread Mbetilonga mineralisation.

Future soil sampling lines are planned to infill the area between Vatuchichi and Hahala and between Vuralanggoma and the nearby Vuralosa prospect.

Solomon Gold management considers that soil sampling is providing the best guide to the centre of the mineralising system.

Sutakiki (PL05/05)

At Sutakiki, initial reconnaissance mapping and sampling which commenced on 1st June, has revealed a large intrusive porphyry system mineralised with copper and gold. The system commences 200 metres upstream from the last sampling conducted by Newmont geologists in 1988 and continues upstream in a south-westerly direction for approximately 2 km, in a drainage basin approximately 2 km wide. The mineralisation is frequently but irregularly exposed and 5 metre rock chip channel samples across the mineralisation and any apparent structures were taken where possible. Sixty - two samples from the central zone of mineralised outcrops along the Sutakiki River have been assayed to date and results received (refer discussion below). Assaying of a further 87 rock chip, 33 stream sediment and 75 orientation soil samples has been expedited and the results are are awaited. These samples will provide reconnaissance results over the bulk of the area of the drainage basin at the head of the Sutakiki River.

The style of the mineralisation is a classic south west pacific copper gold mineralised quartz hornblende diorite porphyry system with overprinted fault controlled second and third phase epithermal quartz vein systems. The area is roughly coincident with an extensive zone of diagnostic geophysical signatures in magnetic and radiometric surveying conducted in 1997 by Australian Resource Management (A.R.M.) Pty Ltd, a wholly owned subsidiary of Solomon Gold. The faults host quartz veins yielding values up to 35.9g/t gold and 22.4 g/t silver based on assaying to date. Composite 5 metre channel samples of mineralised outcrop show up to 5.17g/t gold. Up to 85 metres at 0.79 g/t gold and 0.15% copper was sampled from the best exposed section of mineralisation in the upper Sutakiki River. Copper results range up to 0.99%. The porphyry system outcrops in the head of the Sutakiki Valley and is surrounded by overlying altered andesitic volcanics which show skarn mineralisation containing visible copper, lead and zinc sulphide mineralisation.

The epithermal textures of the late stage quartz veins, proximity of the overlying volcanics, copper to gold ratios and high tellurium assay results suggest that outcropping rocks are positioned high in the intrusive system and better copper and gold grades are likely to be encountered at depth within the intrusive complex.

On the basis of these results and the presence of high order gold mineralisation in the head of the Koloula Valley four kilometres to the south south west of the current south western extent of the sampling at Sutakiki, Solomon Gold believes the area covers an extensive intrusive system hosting widespread gold mineralisation.

Solomon Gold intends to expedite the drill testing of the most obvious gold mineralised zones at Sutakiki as soon as possible.

Kuma (APL)

Access negotiations at Kuma are continuing.

Central (PL03/05)

The discovery of the mineralisation associated with the intrusive complex at Sutakiki has led to the identification of exploration targets in the area approximately 8 km south west of the Gold Ridge Mine. These targets are coincident with magnetic features suggestive of skarn mineralisation adjacent to an intrusive complex.

General

Solomon Gold now has 10 contractors and staff geologists working on two rosters on its projects on Guadalcanal and is well supported by local field workers with whose communities the Company maintains a close relationship. With the re - equipped drilling rig and revised contract, drilling rig and more powerful helicopter Solomon Gold is planning to complete 10,000 metres of drilling on the Mbetilonga, Koloula and Sutakiki project areas over the next 12 months. Subject to the outcome of access negotiations and reconnaissance mapping and sampling which would follow, drilling activities at Kuma to the south east of Sutakiki may also be considered.

A complete copy of this update may be viewed with a map on the Company's website www.solomongold.com .

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END

Close