



## ASX ANNOUNCEMENT

26 May 2009

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Australian Stock Exchange Limited

### BOLIVIAN GOVERNMENT ACTION & LEGAL FRAMEWORK

The Directors of Republic Gold Limited (“**Republic**” or the “**Company**”) are pleased to announce that the Bankable Feasibility Study for its Amayapampa Gold Project in Bolivia (the “**Project**”) is progressing well and work at the Project site continues as normal.

The Company has been in high-level discussions with the Bolivian Government regarding the socialisation process at the Project and the Managing Director has met with the Vice Minister of Mines, Sr Pedro Montes, the head of COB (Bolivia’s equivalent of the ACTU), and has a meeting arranged with the Vice Minister of Government whose Ministry is responsible for state security.

The outcome of the discussions is unqualified support for the Company and Project and a streamlined process that will deliver the Company certainty in the socialisation process.

In responding to a letter from the Company, the Minister of Mines has said: -

**“The National Plan of Development considers the Mining sector as one of the fundamental pillars of the national economy, and in this context, foreign investments have an important place**, especially when these business ventures see desirable benefits for both investors and the Bolivian State, far from the old practices that bordered on the plundering of our natural resources with outrageous profits for the companies.

In your case, we invite you to continue with your efforts **to ensure the continuity of the project** based on dialogue and the convening of the consultation process established in the new Political Constitution of the State (Art. 30 II, No 15-Art.352) and by the OIT Agreement 169, ratified by Bolivia through law No. 1257 of July 11, 1991, and including the Declaration of UUNN, that was made law on November 7, 2007.

**Be sure that this consultation process will provide a definitive solution for the project within the framework of the laws** relating to this current difficulty that we have been unable to overcome through the dialogue with our brother peasants; therefore we will expend our best efforts to expedite this consultation process.”

The quotation by the Minister of the National Plan of Development and the new Political Constitution are important for the Project. The National Plan of Development is the blueprint document of the Morales Government for the development of Bolivia. It clearly highlights the importance of the mining industry.

The new Political Constitution, which was passed in a referendum a few months ago, refers directly to the mining industry and underscores this industry’s importance to Bolivia. The Political Constitution clearly gives control of all natural resources in Bolivia to the Federal Government and says that the Federal Government must respect private interests. Relevant sections from these documents can be found at the Company’s website [www.republicgold.com.au](http://www.republicgold.com.au)

Republic's Managing Director; John Kelly, said:

*"The Company has been present in Bolivia for the past four years and has established high level links with the Government, the national labour and mining industry organisations and the many important influential stakeholders in the mining sector in Bolivia through our local experienced professional Bolivian staff. What I am seeing in Bolivia is a concerted and constructive effort by senior bureaucrats and Ministries to assist the Company to achieve a positive outcome for all stakeholders at Amayapampa that will ensure that foreign capital keeps flowing into Bolivia to develop its mining industry."*

Yours faithfully



John Kelly  
Managing Director  
Republic Gold Limited

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