ASX ANNOUNCEMENT

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SURFACE TRENCHING UPDATE FOR AMAYAPAMPA GOLD PROJECT

Key Points

- **Infill grade control trenching commenced, with a significant portion (30% of the 5m infill trench samples) of results to-date delivering a much higher average grade (1.85 g/t Au) for oxide material than the mine model (0.96 g/t Au).**
- **Highlight results from the initial four trenches include 55m @ 1.36 g/t Au, 45m @ 2.11 g/t Au, 50m @ 1.08 g/t Au, 45m @ 1.19 g/t Au and 10m @ 2.40 g/t Au.**
- **Grades returned are solid and widths very impressive and reflect the initial trenching results.**
- **Trench No 54 includes 50m @ 1.08 g/t Au and 55m @ 1.36 g/t Au, reflecting the wide nature of the mineralisation.**
- **13 trenches to be completed in this infill programme to get trenching density to 25 metres.**
- **Various mine scheduling scenarios being investigated to ensure the highest grades possible will be processed in the Project's early years, targeting a cash cost of approximately US$350/oz.**

The Directors of Republic Gold Limited ("**Republic**" or the "**Company**") are pleased to announce that the Company has received the initial results of infill grade control trenching at its Amayapampa Gold Project ("**Amayapampa**" or the "**Project**") located in Bolivia.

Republic Gold Managing Director, Mr John Kelly said that "almost one third of the infill trenching to-date has resulted in an average grade of approximately twice the average grade of the oxide material in the mine model."

"This confirms that the more sampling that is the done, the more support there is for the higher grades. In time, with a sufficient critical mass of high grades represented in the database, and knowledge of their behaviour, we believe that estimates of remaining resources will reflect the positive impact of these higher grades."

After the initial and successful widespread surface trenching and shafting done in 2009 it was decided that more closely spaced trenching was necessary to provide a sufficient density of data for adequate grade control of the initial surface benches.

Whilst the standard grade control procedure for life of mine will involve the sampling of blast-holes, the existing surface workings has led to the decision to grade control based on trenches for the preliminary mining benches; this has the added advantage of having the preliminary mining benches "mine ready" when the equipment fleet is ready for production.

To this end a programme of 13 trenches will be completed in the main zone of mineralisation at Amayapampa, with trench lengths ranging from 95 to 160 metres in length to adequately cover the very wide mineralised body found at Amayapampa. Details of the trenching results are found in Table 1 and Figure 1 below.

Table 1 Significant Trenching Intercepts

Trench Number	Significant Intersections	Comments
Trench No 52	10m @ 2.40 g/t Au 15m @ 1.04 g/t Au 20m @ 0.52 g/t Au	Bedrock material
Trench No 53	45m @ 1.19 g/t Au 5m @ 1.09 g/t Au 5m @ 0.63 g/t Au 15m @ 0.94 g/t Au 5m @ 0.69 g/t Au	Bedrock material
Trench No 54	50m @ 1.08 g/t Au 55m @ 1.36 g/t Au	Bedrock material
Trench No 55	10m @ 0.69 g/t Au 45m @ 2.11 g/t Au 45m @ 0.84 g/t Au 25m @ 1.14 g/t Au	Bedrock material

Mine Scheduling Scenarios

To ensure that maximum gold production can be achieved from the proposed 2.7Mtpa treatment plant at Amayapampa, various mining scheduling scenarios are being examined to achieve a targeted low cash cost of US$350/oz.

The most likely scenario is that low grade material mined in the early years will be stockpiled for treatment later in the mine life, ensuring that the earlier years see the treatment of grades well in excess of the Measured and Indicated average resource grade of 1.1 g/t Au. Of the total resource at Amayapampa approximately 50% is at a grade of 1.9 g/t Au or better.

The top cuts employed in the geological block model at Amayapampa are very conservative, being 20 g/t Au for primary mineralisation, 10 g/t Au in transitional mineralisation and 5 g/t Au in oxide mineralisation. It is anticipated that when mining commences higher grades will be encountered than predicted by the model resulting in enhanced gold production. This potential scenario is being born out in the current infill trenching programme.

Yours faithfully

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JORC Compliance Statement

Information in this report that relates to Exploration Results and Mineral Resources for Republic Gold Limited is based on information compiled by John Kelly, Managing Director of Republic Gold and a member of the Australasian Institute of Mining and Metallurgy. John Kelly has significant experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". John Kelly consents to the inclusion in this report of these matters, based on the information in the form and context in which it appears.

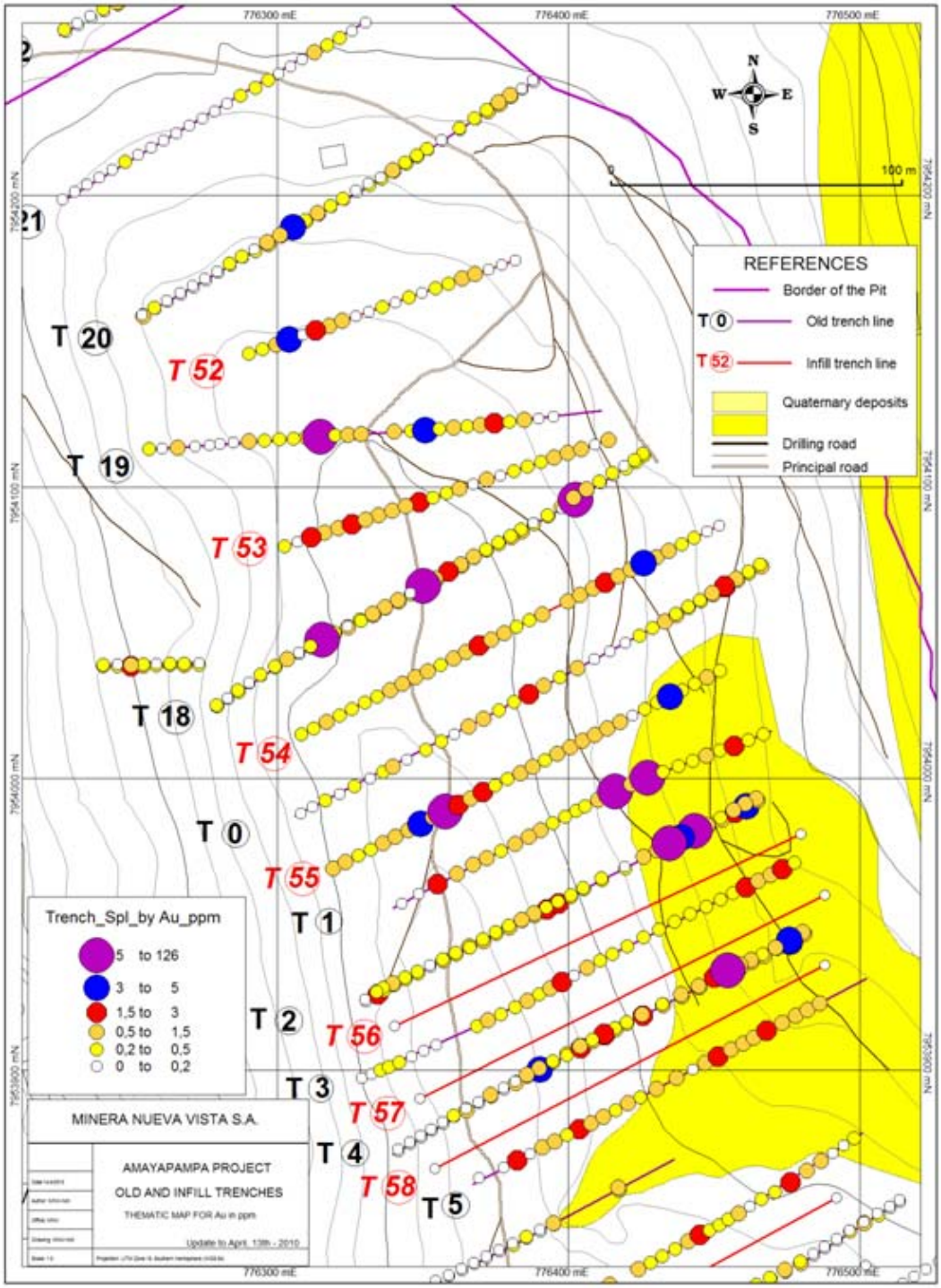

FIGURE 1 – SURFACE GRADE CONTROL TRENCHING RESULTS