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The Manager Companies Announcement Platform Australian Stock Exchange Limited

AMAYAPAMPA BANKABLE FEASIBILITY STUDY SUCCESSFULLY COMPLETED

The Directors of Republic Gold Limited ("**Republic**" or the "**Company**") today announce that the Company has successfully completed the Bankable Feasibility Study ("**BFS**") for its Amayapampa Gold Project in Bolivia ("**Amayapampa**" or the "**Project**"). In conjunction with the recently signed Social Licence Agreement at the Project, the Company can now advance negotiations to source the necessary development finance for the Project.

The completion of the BFS is one of the most critical milestones achieved by Republic to-date, and represents a major development for shareholders and the Republic team, in both Bolivia and Australia.

Key BFS Outputs

- ✓ Amayapampa BFS successfully completed an estimated ore reserve of 19,900,000 tonnes at 1.3 Au g/t for 817,000 contained ounces is the impetus for planned acceleration of near-mine exploration programme to extend resource base.
- ✓ Preliminary Project pre-tax NPV at US\$925 per ounce is US\$166M, and at US\$1,200 per ounce is US\$340M.
- \checkmark Capital required to commence production is US\$136M.
- ✓ Conservative gold price assumption used of US\$925 per ounce.
- \checkmark 683,700 ounces to be produced over 7 years.
- ✓ Expected average annual production of 93,700 ounces from 2,737,500 tonnes per annum treatment plant.
- ✓ High measured & indicated resource to ore reserve conversion of 83.5%.
- ✓ Strong cash operating margin and very robust project.
- ✓ Cash operating costs of US\$13.19 per tonne treated, or US\$384 per ounce.
- ✓ Significant upside on operating margin -average metallurgical recoveries of 83.8%.
- ✓ Low cost open pit mining scenario, with low stripping ratio of 3.0 to 1.0 achieved using conservative pit design parameters.
- ✓ All critical permits and licensing secured including Amayapampa Social License.
- ✓ The Company to continue optimising various BFS elements prior to project go-ahead.

Republic's Managing Director; John Kelly, said:

"Amayapampa is set to become Bolivia's largest producing gold mine and with a pre-tax net present value estimate of US\$340M at current gold prices, the Company is exceptionally well positioned to advance discussions on sourcing project financing to bring the mine into production.

"The BFS has also demonstrated that by the decision to increase the Project's scale, the Company can establish a highly competitive cost base, resulting in an eventual +90,000 ounces of average annual production.

Low cash costs coupled with the low stripping ratio of the planned open pit development strongly supports the economics of the Amayapampa project. With conservative modelling of inputs into the BFS, such as the gold price assumption, the geological block model, operating cost contingencies and metallurgical recoveries, the Company expects that once the plant reaches full production, that there is scope to significantly improve the operating margins outlined in the BFS.

"Once the project reaches production stage, the Company will be in a strong cash position that will be in part used to explore the highly prospective near surrounds to the Project and further afield in Bolivia."

Project Details and Optimisation

Table 1 below provides the primary outcomes of the BFS. Of note is the high measured and indicated resource to ore reserve conversion, with the open pit taking in 83.5% of these resource categories. In the pit optimisations that were run, areas of the pit floor bottomed out in inferred resource material. The inferred resource of 300,000 ounces is now an immediate focus, with exploration to target an upgrade of this to the higher resource categories.

Another immediate focus is to update the resource block model to include the recent surface trenching work, which should result in an upgrade of the ore reserve.

The result of the metallurgical testwork review indicates that an opportunity exists to further increase metallurgical recovery and therefore further testwork will be undertaken. The overall recovery predicted from the BFS is marginally lower than previously indicated, with the BFS clearly demonstrating a very close correlation between recovery and grade. So as the Project scale increased and the cut-off grade was decreased, the recovery drops marginally with the lower head grade. Some additional testwork is also warranted on the comminution circuit and, if successful, this will lower the capital and operating costs for the crushing and grinding circuit.

There is also scope to reduce the capital cost of the treatment plant and the Company continues to identify local suppliers in Bolivia and other South American countries to do this.

The Company will now proceed to appoint an EPCM engineer for construction. A likely outcome for this appointment is a joint venture arrangement between an Australian and a Bolivian engineering company.

The Project is operating under its Environmental Licence. With the recent signing of the Social Licence agreement, the Project requires no further licensing or permitting.

Financing

As part of an Information Memorandum for debt financing to be produced, the Company's debt advisors, CPM Group of New York, will complete a detailed cash flow model. The Project pre-tax NPV's of US\$166M at US\$925/ounce and US\$340M at US\$1,200/ounce are indicative only and are both calculated excluding finance charges and are not calculated on a mining schedule but rather on an NPV algorithm available in the mining planning and optimisation software utilised for this BFS. An NPV based upon CPM's detailed cash flow model will be lower than these numbers.

Whilst the BFS was being completed, detailed work on financing the Project continued. The Company's debt advisors, CPM Group of New York, has significantly advanced the Bolivian bond financing concept and will be in La Paz in the third week of August to participate in a number of meetings with various financial intermediaries in the domestic bond market.

In the same week, the Company' equity advisors, Carling Capital Partners of Sydney, will be in La Paz accompanied by the President & Chief Executive Officer of a mid-sized resources investment banking group from Canada.

As part of the due diligence for the BFS the Company commissioned expert advice on the legal proceedings brought against the Project. This advice supports the fact that this litigation has absolutely no merit. The Company's financial advisors do not believe the vexatious litigation will be an impediment to financing the Project.

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Mineral Resource	Measured	4,360,000 Ionnes	1.6 g/t Au	221,000 Oz
(At a 0.4 g/t Au cut-off	Indicated	22,410,000 Tonnes	1.1 g/t Au	758,000 Oz
grade)	Total M&I	26,770,000 Tonnes	1.1 g/t Au	979,000 Oz
	Inferred	8,140,000 Tonnes	1.1 g/t Au	300,000 Oz
Mining Method		Open Pit		
Process Method		Gravity/Flotation/Cyanide		
		Leach of Concentrates		
Process Recovery	%	83.8%		
	Proved	4,200,000 Tonnes	1.6 g/t Au	219,000 Oz
Ore Reserves	Probable	15,700,000 Tonnes	1.2 g/t Au	598,000 Oz
	Total	19,900,000 Tonnes	1.3 g/t Au	817,000 Oz
Waste Material	Tonnes	59,450,000		
	Bank Cubic	22,017,000		
	Metres			
Life of Plan Stripping				
Ratio		3.0:1.0		
Treatment Plant	Per Year	2,737,500 Tonnes		
Production Rate	Per Day	7,500 Tonnes		
Mine Life	Years	7.3		
Total Recovered Gold				
	Ounces	683,700		
Average Annual Gold				
Production	Ounces	93,700 Ounces		
Initial Capital Cost	\$	US\$136,605,000		
Reclamation & Post	\$			
Mine Monitoring		US\$1,784,000		
Sustaining Capital				
Paid From Cash Flow	\$	US\$13,800,000		
Total Capital	\$	US\$152,189,000		
Treatment Plant				
Contingency On EPCM	%	10%		
& Direct Costs				
Cash Cost Per Tonne				
Milled	\$/Tonne	US\$13.19/tonne		
Cash Cost per Ounce	\$/Ounce	US\$384/ounce		
Capital Cost per Ounce	\$/Ounce	US\$223/ounce		
NPV	At \$925/oz	US\$166M		
	At \$1,200/oz	US\$340M		

Table 1 – Amayapampa Gold Project BFS Key Outcomes

Renewed Exploration Effort

With the BFS complete, the Project's exploration team will now continue their exploration efforts within the existing concessions. As part of the BFS, a US\$5.5M 2-phase near-mine exploration has been scoped out.

Geological mapping of the immediate Project area has been updated in the past few months to assist in targeting the exploration effort. A number of priority targets have been developed over the past months (see Figure 2). Those targets are: -

- Continued exploration on the strike of the orebody to the north at Chusquia where the Company recently reported highly encouraging trenching intercepts 600 metres to the north of the open pit of 5 metres at 1.78 g/t Au and 5 metres at 22.4 g/t Au.
- The high grade gold-antimony vein system that runs along a structure to the west of the open pit and extends to the south of the pit for 2-3 kilometres to the villages of Pasuta Pampa and Chojnuma. An exploration programme on this structure is underway, with the exploration team refurbishing a number of old adits that once accessed these veins.
- Continue the refurbishment and sampling of the Luko Grande tin mine approximately 3 kilometres north of the open pit.
- Continue sampling on the major structure that trends north from the open pit for 3 kilometres until it runs out of the Company's present concessions. This fault is highly prospective for gold, tin and zinc, with dozens of old workings stretching along this +3 kilometre fault.
- Examine the underground potential of the northerly plunging Amayapampa orebody. Figure 3 shows drillhole RC97AP212 that intersected 18 metres at 8.17 g/t Au approximately 150 metres below the surface.
- Explore to the west of the open pit to find the major western bounding fault predicted from the work done by the Company's Consulting Structural Geologist, Dr Steve King.

Table 2

Ore Reserve Category	Tonnes	Grade Au g/t	Contained Ounces	
Proved	4,200,000	1.6	219,000	
Probable	15,700,000	1.2	598,000	
Total	19,900,000	1.3	817,000	
Waste	59,450,000			
Waste to Ore Stripping Ratio	3.0 to 1.0			

Amayapampa Ore Reserve Statement

Table 3

Amayapampa Mineral Resource Statement

MEASU	RED	INDI	CATED	INFERRED		TOTAL		
TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	GOLD
('000)	Au g/t	('000)	Au g⁄t	('000)	Au g⁄t	('000)	Au g/t	Ounces
4,360	1.6	22,410	1.1	8,140	1.1	34,910	1.1	1,280,000

Mineral resources are inclusive of ore reserves.

Table 4

Year	Ore Mined	Ore Milled	Grade	Recovery %	Recovered	Waste Tonnes
	Tonnes	Tonnes	Au g/t		Ounces	Mined
0	192,000					2,862,000
1	1,950,000	1,911,000	1.3	83.1	67,700	4,973,000
2	2,767,000	2,766,000	1.4	84.4	104,300	11,652,000
3	2,760,000	2,760,000	1.3	84.2	98,500	11,773,000
4	2,760,000	2,760,000	1.3	83.7	93,400	11,771,000
5	2,767,000	2,767,000	1.1	82.6	83,900	8,340,000
6	2,758,000	2,758,000	1.2	83.6	91,500	5,022,000
7	2,756,000	2,755,000	1.3	84.2	97,600	2,809,000
8	1,190,000	1,423,00	1.2	83.4	46,800	248,000
Total	19,900,000	19,900,000	1.3	83.8	683,700	59,450,000

Amayapampa Mining and Treatment Schedule

Notes Accompanying The Mineral Resources and Ore Reserve Statements

¹ Figures are Republic's equity share of this project, being 100% of Amayapampa.

² For the Amayapampa resources and reserves, allowances have been made for depletion by estimated mining amounts for the predominantly underground historic workings. Resources may not sum to equal totals due to rounding.

Location	Grade Interpolation	Section Spacing	COG*	COG*	Oxide	Sulphide
	Method	Metres	g/t Au Oxide	g/t Au Sulphide	Density	Density
Amayapampa Resource	Ordinary Kriging	10 to 50	0.4	0.4	2.4	2.75

Top cuts in the new model are 20 g/t Au for primary mineralisation, 10 g/t Au in transitional mineralisation and 5 g/t Au in oxide mineralisation. * COG is cut-off grade

JORC Compliance Statement

Information in this report that relates to the Amayapampa Mineral Resources for Republic Gold Limited is based on information estimated by Kerrin Allwood, Republic Gold's Independent Resource Consultant and a member of the Australasian Institute of Mining and Metallurgy. It is also based on information from Neb Zurkic Republic Gold's Technical Director, a member of the Australasian Institute of Mining and Metallurgy. It is also based on information from Neb Zurkic Republic Gold's Technical Director, a member of the Australasian Institute of Mining and Metallurgy. It is also based on information from John Kelly Republic Gold's Managing Director, a member of the Australasian Institute of Mining and Metallurgy. Kerrin Allwood, Neb Zurkic and John Kelly have a minimum of five years experience in the estimation, assessment and evaluation of Mineral Resources and Ore Reserves. Kerrin Allwood, Neb Zurkic and John Kelly have 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". Kerrin Allwood, Neb Zurkic and John Kelly consent to the inclusion in this report of these matters based on the information in the form and context in which it appears.

Yours faithfully

John Kelly Managing Director Republic Gold Limited

For more information, please contact John Kelly on 0418 577 759

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Figure 1 – Project Location and Layout Plan



Figure 2 – Project Exploration Targets



Figure 3 – Underground Exploration Target