



ASX ANNOUNCEMENT

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FURTHER LEGAL ACTION AGAINST LUZON MINERALS

The Board of Republic Gold ("Republic" or the "Company") today announces that it has issued and is the process of serving a further Statement of Claim against Luzon Minerals Limited ("Luzon") in Canada. The Statement of Claim was prepared by Cassels Brock and Blackwell LLP, one of Toronto's major legal firms, and issued and served by legal counsel in British Columbia.

The Statement of Claim is seeking the payment of a break fee from Luzon following its termination of the Asset Sale Agreement with the Company in 2006. The Asset Sale Agreement provided a break fee was payable by either party if the transaction was not completed as envisaged. The break fee payable is 5% of the ordinary shares Luzon had on issue at the time it terminated the Asset Sale Agreement.

Luzon has 30 days to file a Statement of Defence.

Yours faithfully

John Kelly
Managing Director
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