



ASX ANNOUNCEMENT

4 October 2011

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COMPANY UPDATE

Key Points

- New Managing Director appointed
- Reconstruction of Board

The Board of Directors of Republic Gold Limited ('**Republic**' or '**Company**') are very pleased to announce the appointment of Mr Raymond Shorrocks as Chairman and Mr Campbell Smith as Managing Director of the Company.

Mr Smith was previously Managing Director of Galilee Energy Ltd. He has worked at Jeebropilly, Ernst Henry and Savage River Mines in Australia as well as MICCL's No.1 Copper mine in Myanmar. He also developed the Cascade, Whareatea and Takitimu Coal Mines in New Zealand for Galilee Energy Ltd.

Mr Smith together with the new Board, will lead a comprehensive review of the alternative strategies with respect to construction and financing of the Amayapampa project.

Republic's Amayapampa Gold Project is located in Southern Bolivia and is moving from exploration to construction and mining phase, which, subject to financing arrangements, has a target of first gold pour scheduled for late 2013.

Mr Smith will oversee this transition to planning for construction of a gravity/CIL processing plant and infrastructure for an 80,000 oz per annum operation. With a mine life target of 12 years, Republic has an existing investment in a mine camp, and an indigenous workforce deployed in preliminary infrastructure upgrades. Drilling that is currently underway will allow for pit optimisation and further define the metallurgy and processing requirements.

Republic has been in discussions and negotiations with major banks and finance companies to assist in the funding of the Project. The Bolivian Government has also shown considerable support and both the Company and authorities are progressing all necessary arrangements to advance the development of Amayapampa.

Further to the appointment of Mr Smith, the Board has appointed Mr Raymond Shorrocks as Chairman. Mr Shorrocks's appointment recognises the Company's requirements for significant funding to bring Amayapampa on stream. Mr Shorrocks has over 20 years experience in the finance industry.

The previous Chairman Mr Peter Wicks will remain as a Non Executive Director. The Board wishes to thank Mr Wicks for his invaluable contribution as Chairman over the last 5 years.

Remuneration

Remuneration details for the Company's Managing Director, Campbell Smith are as follows:-

Base Salary

\$400,000 per year inclusive of superannuation, reviewed annually

Incentives/Bonus

There are no incentives or bonuses. However these may, at some future time, be negotiated between the parties and will be submitted to shareholders for approval.

Term/Termination

Mr Smith's appointment as Managing Director commences on 3 October 2011. The Company or Mr Smith may terminate at any time by giving 1 month's notice.

About Republic Gold Limited

Republic is an Australian, publicly listed, minerals exploration company focussed on the development of its flagship project, the Amayapampa Gold Project in Bolivia. Amayapampa is set to become Bolivia's largest producing gold mine with total JORC Reserves of 787,300 ounces of gold, from JORC Resources of over 1,280,000 ounces of gold.

For more information, please contact Campbell Smith on 0409 644 345

Competent Persons Statement

Information in this report that relates to Mineral Resources for Republic Gold Limited is based on information compiled by Neb Zurkic, Republic Technical Director and by Paul Pyke, Republic Project Development Manager, both are members of the Australasian Institute of Mining and Metallurgy and Neb Zurkic is a member of the Australian Institute of Geoscientists. It is also based on information estimated by Kerrin Allwood, Republic Gold's Resource Estimation consultant, a member of the Australasian Institute of Mining and Metallurgy. Paul Pyke, Neb Zurkic and Kerrin Allwood have a minimum of five years experience in the estimation, assessment and evaluation of Mineral Resources and Ore Reserves. Paul Pyke, Neb Zurkic and Kerrin Allwood have significant experience that is relevant to the style of mineralisation and type 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". Paul Pyke, Neb Zurkic and Kerrin Allwood consent to the inclusion in this report of these matters based on the information in the form and context in which it appears.

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