



ASX ANNOUNCEMENT

15 December 2009

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INDEPENDANT SOCIAL AND ECONOMIC EXPERTS TO ADVANCE SOCIALISATION PROCESS AT AMAYAPAMPA

Key Points

- Integrated Country Risk Pty Limited (“ICR”) will conduct an independent social study of Amayapampa and an economic study of Bolivia regarding inward foreign investment.
- Results of the study will assist to advance the important socialisation process to expedite development of the Project.
- ICR have to date undertaken consultation with local stakeholders at Amayapampa, and Government, NGO and Foreign resident in La Paz, Bolivia.
- President Evo Morales has been recently re-elected with an increased majority to further economic and social reforms for Bolivia’s indigenous majority.
- The Company and Bolivian Government to recommence social consultation process at Amayapampa in January 2010 following re-election of Bolivian President, Evo Morales.

The Directors of Republic Gold Limited (“**Republic**” or the “**Company**”) today announced that the Company has engaged ICR to conduct an independent social study of the Amayapampa Gold Project (“Amayapampa” or the “Project”) and an economic study of Bolivia concerning inward foreign investment. The resulting report will be used as a crucial Definitive Feasibility Study document and be provided to potential project financiers.

ICR has three representatives in Bolivia; Mr Jon Greenaway, Mr Scott Rankin and Mr David Grabau. Mr Jon Greenaway is a lawyer with extensive experience and has conducted due diligence and risk assessment projects for banks, multilateral institutions and resources sector companies. Mr Rankin has over 15 years experience managing social issues in developing countries and has worked extensively with Governments, UN organisations and major NGOs. Mr David Grabau is a former diplomat and has had many years of experience conducting country risk assessments for BHP Billiton and the Australian Government’s Office of National Assessments and Department of Foreign Affairs and Trade.

Preliminary feedback from ICR has been received, and the results from stakeholder consultation are very encouraging, particularly in reference to sovereign risk issues and foreign investment in a large mining project in Bolivia. In addition, ICR will provide guidance on how the Company can advance its social programme at Amayapampa, which is an important process to expedite the development of the project.

Amayapampa Resource Upgrade

The Amayapampa resource upgrade has been delayed due to the late delivery by the Bolivian Military Survey Division of the new site topography. The topography was delivered this week, approximately one month late. Preliminary work had already been commenced on the new resource block model.

Bolivian Presidential Elections

Presidential, Congressional and Senate elections were held in Bolivia on Sunday 6th December. Indications are that President Evo Morales has been returned with a substantially increased majority. The final results of the Congressional and Senate election will not be known for some time. This increased majority gives President Morales a strong mandate to continue his Government's policy reforms aimed at the alleviation of poverty amongst the nation's majority indigenous population. The Company's Amayapampa Gold Project will assist significantly in furthering this policy reform in the local area surrounding the Project through the continuing employment of 280 direct jobs.

Amayapampa Employee Death

The Directors are saddened to report the recent death of Senor German Mamani A. Senor Mamani was struck by lightning whilst working in a road construction gang. The Directors send their sincerest condolences to Senor Mamani's widow, five children and extended family.

Republic's Managing Director; John Kelly, said:

"The presence of ICR in Bolivia, and in particular Mr Scott Rankin's presence in Amayapampa, will assist to advance the critical socialisation process and advance the project's development. ICR was able to establish a strong rapport with the local stakeholders and the continuing consultation process will provide the Company with further tools to progress the Amayapampa project. The ICR team's independent report will form part of the Company's Definitive Feasibility Study for the project.

"President Evo Morales was re-elected with a substantially increased majority. The support for the President in Amayapampa was obvious on Election Day. The Company looks forward to working with the new Government to further the state objectives of poverty alleviation amongst the indigenous population, particularly in the North of Potosi region where Amayapampa lies, one of the most impoverished in Bolivia."

"I was deeply saddened by the death of German Mamani on site last week. The Directors wish to express their condolences to the Senor Mamani's family."

Yours faithfully



John Kelly
Managing Director
Republic Gold Limited

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