

# REPUBLIC GOLD LIMITED

## QUARTERLY REPORT JUNE 2008



The Callabonna Tenements

### HIGHLIGHTS

#### Queensland - Hodgkinson Basin Projects

- ◆ A Stage 1 drilling programme was carried out at Northcote (1,417 metres) and Tregoorra (2,029 metres).
- ◆ Drilling, targeting a resource upgrade, in the June Quarter saw best results at:
  - The Tregoorra Gold Project of 24m @ 8.30 g/t Au from 2m, including 11m @ 12.37 g/t Au, 6m @ 2.40 g/t Au and 18m @ 1.44 g/t Au
  - The Northcote Gold Project of 6m @ 2.12 g/t Au and 8m @ 2.08 g/t Au.
- ◆ The Company entered into a Joint Venture over the Kangaroo Creek tin deposit to the south of Chillagoe. This project offers a cash flow opportunity.

#### Amayapampa Gold Project - Bolivia

- ◆ The Company purchased the 720,000 ounce Amayapampa Gold Project in Bolivia from Vista Gold Corp with 92% of the resource being measured and indicated.
- ◆ The Company recommenced the Bankable Feasibility Study for Amayapampa.
- ◆ This deal increases the Company's resource base to 1.218M ounces of gold and 8,000 tonnes of stibnite.

- ◆ A 1,500 metre drilling programme at Amayapampa to drill where channel sampling has revealed results of 5m at 127.1 g/t Au and 20m at 40.6 g/t Au. Some deeper holes will also be drilled to look to extend the known resource.

#### NSW - Burruga Polymetallic Project

- ◆ A petrology report confirms mineralisation at Burruga is hydrothermal Cu-Au style with a suggested deeper porphyry intrusive source, similar to most of the major discoveries in NSW over the last 20 years.
- ◆ A follow-up programme planned will test for a deeper intrusive source of mineralisation, as well as more near-surface mineralisation.

#### Corporate

- ◆ The Company's South Australian uranium interests will be floated resulting in the Company owning 4,313,925 shares in the new company on a successful listing.
- ◆ The Company continues co-operation discussions with a major Chinese company.
- ◆ The Company has \$7,302,000 in cash. 10.3M options exercised during the Quarter raising \$256,000.

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## HODGKINSON BASIN (QUEENSLAND) PROJECTS

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### Hodgkinson Basin Programme

Work in the June Quarter in the Hodgkinson Basin was dominated by the planning and execution of the Stage 1 2008 field season drilling programme.

The principal aims of the work to be carried out in 2008 are to further increase the existing gold and antimony resources, develop an initial tungsten resource at Whumbal West and continue reconnaissance field work on the Company's extensive tenement area. The following programme is planned for 2008: -

- ◆ Resource drilling on new targets at Tregoora that were successfully drilled during the 2007 field season and further resource drilling at Northcote with the aim of increasing the Company's total resource base to 750,000 ounces of gold.
- ◆ Develop a tungsten resource at the Whumbal West Prospect.
- ◆ Strategic drillholes to examine depth potential of existing resources.
- ◆ Regional reconnaissance testing of the widespread gold occurrences within the Company's large holdings for significant sulphide hosted gold occurrences.
- ◆ Assessment of the Company's area for tungsten, tin, antimony and copper potential.
- ◆ Complete the FNQ Gold Projects' Feasibility Study.
- ◆ Drilling to provide further samples for metallurgical testwork.

The Company's equity share of the FNQ projects totals 441,000 ounces of gold and 8,000 tonnes of antimony. These resources are detailed in the 2007 Annual Report and below.

The Company remains focussed on the earliest possible development of an operation to produce gold and a positive cash flow. This includes a re-evaluation of the potential of commencing production in the Hodgkinson Basin from shallow oxide ore, following encouraging results from exploration at Northcote and Tregoora. Figure 1 shows the Company's Hodgkinson Basin tenements. Work is underway to follow-up the positive results achieved at the Northcote and Tregoora deposits, with further drilling to expand resources and assist the current feasibility studies to be done in the June Quarter.

### Tregoora Gold Project (EPM 13937 Republic 100%)

EPM 13937 contains the 100%-owned Tregoora Project, which the Company believes provides a development opportunity, along with the Northcote Project. The Tregoora Project contains the Sleeping Giant Prospect that lies on the Retina Fault, a major regional fault some 50 kilometres long, plus a number of other prospects to the east of the Retina Fault.

During the Quarter, the Company carried out the Stage 1 drilling programme for the 2008 field season. A total of 31 holes were drilled at Tregoora for 2,029 metres.

#### Terrace Creek Prospect

The Terrace Creek Prospect lies 4 kilometres to the north of the Retina Pit. Along with the Sleeping Giant Prospect, it lies on the +50 kilometre long Retina Fault, a major mineralising structure in the area. Drilling at Terrace Creek covers a strike length of 400 metres, with the high grade intersection in drillhole FN042, 24m @ 8.30 g/t Au from 2m, including 11m @ 12.37 g/t Au, interpreted to be down dip, being the northernmost hole on this prospect. Drilling has been carried out within a broad gold anomaly, with a number of holes intersecting low grade mineralisation. However, there are now sufficient intersections here to start to interpret the geological controls on the mineralisation in this area.

Part of the upcoming drilling programme will be to deepen FN031, to the south of FN042. FN031 was drilled in 2007 and was completed in weak mineralisation reaching the limit of the drill-string at 116 metres.

The Company's technical staff knows the potential of this style of mineralisation from years of working at the Fosterville Gold Project in Central Victoria where the high grade Phoenix Zone was drilled over a continuous down-plunge length of 1,500 metres, with the deepest intersection being one kilometre beneath the surface.

Figure 2 shows the drillhole locations at Terrace Creek.

### Honey -Midway Prospect

The Honey-Midway Prospect is one of a number of mineralised zones that lie to the east of the Retina Fault. Only four holes were drilled at Midway, with each intersecting mineralisation following up two zones of attractive near surface mineralisation. The Midway and Honey Prospects have a combined strike length of 2,600 metres. The best result returned from the programme was 6m @ 2.40 g/t Au from 8 metres.

### Pillage Prospect

Drilling will also be carried out at Pillage where a quartz blow along a strong fault plane was mined for antimony. Wide drill intersections returned 11m @ 3.92 g/t Au from 27m in 2005. Drilling in the Stage 2 programme will confirm and test the southerly plunge associated with this structure.

### Sleeping Giant Prospect

The Sleeping giant Prospect contains the largest resource currently estimated in the Tregoorra region. Six holes were drilled at this prospect with only one failing to intersect mineralisation. The five successful holes will assist in improving the quality of this resource. Results returned from this programme included 18m @ 1.44 g/t Au and 6m @ 3.22 g/t Au.

## Tregoorra Drilling Details and Significant Intersections

Prospect	Hole ID	Easting Metres	Northing Metres	AHD Metres	Depth Metres	Dip Degrees	Azimuth Degrees	Significant Intersections
Terrace Creek	FN039	236,351	8,168,362	272	80	-55°	53°	4m @ 1.33 g/t Au from 14m 2m @ 0.62 g/t Au from 30m
	FN041	236,306	8,168,434	259	80	-55°	53°	10m @ 0.55 g/t Au from 44m
	FN042	236,320	8,168,521	256	80	-55°	243°	24m @ 8.30 g/t Au from 2m including 10m @ 12.37 g/t Au from 10m 4m @ 1.13 g/t Au from 32m 6m @ 1.20 g/t Au from 46m
	FN052	237,241	8,165,349	282	70	-55°	83°	2m @ 0.77 g/t Au from 12m 6m @ 1.36 g/t Au from 24m
	FN055	237,403	8,164,979	281	50	-55°	53°	4m @ 0.55 g/t Au from 8m 8m @ 2.2 g/t Au from 22m 4m @ 0.61g/t Au from 40m
	FN056	237,253	8,165,304	284	70	-55°	83°	2m @ 2.45 g/t Au from 8m
	FN058	237,420	8,164,911	281	60	-55°	53°	2m @ 0.66 g/t Au from 0m 2m @ 0.92 g/t Au from 14m 16m @ 1.27 g/t Au from 22m including 6m @ 2.12 g/t from 22m
Midway-Honey	MWH005	241,641	8,161,494	261	30	-55°	263°	8m @ 1.27 g/t Au from 10m
	MWH006	241,641	8,161,519	264	30	-55°	263°	8m @ 0.94 g/t Au from 14m
								4m @ 1.36 g/t Au from 4m

	MWH007	241,618	8,161,635	266	24	-55°	83°	2m @ 0.89 g/t Au from 10m
	MWH008	241,613	8,161,663	265	24	-55°	83°	6m @ 2.40 g/t Au from 8m
<b>Sleeping Giant</b>	TGA078	238,389	8,162,594	255	100	-55°	53°	4m @ 0.82 g/t Au from 14m 18m @ 1.44 g/t Au from 34m including 4m @ 2.70 g/t Au from 46m 4m @ 1.46 g/t Au from 58m 4m @ 0.74 g/t Au from 74m
	TGA079	238,369	8,162,637	251	70	-55°	53°	2m @ 0.52 g/t Au from 4m 4m @ 1.22 g/t Au from 26m 6m @ 3.22 g/t Au from 42m
	TGA080	238,747	8,162,124	231	60	-55°	233°	8m @ 1.17 g/t Au from 32m
	TGA081	238,652	8,162,124	235	100	-55°	53°	10m @ 0.82 g/t Au from 70m
	TGA083	238,802	8,161,901	243	70	-55°	53°	4m @ 3.21 g/t Au from 58m

Intersections are generally at angles of greater than 70° to mineralised structures.

## Northcote Gold Project (EPM 9869 Republic 75%)

During the Quarter, the Company carried out the Stage 1 drilling programme for the 2008 field season. 26 holes were drilled at Northcote for 1,417 metres.

### Tunnel Hill Prospect

The Tunnel Hill Prospect lies to the north west of the Leadingham Prospect. It has been drilled by the Company previously. This extension of 350 metres drilled in this programme, demonstrates continuity of the mineralisation over a strike length of 600 metres. This is mappable as a laminated quartz reef containing breccia and mineralisation. Best intersections from this programme were 16m @ 0.97 g/t Au and 4m @ 2.98 g/t Au.

### Leadingham Prospect

The drilling at Leadingham completed three pre-collars and tested the continuation of the Emily structure intersected in ELM035 previously with 2m @ 2.16 g/t Au. This drilling returned one strong indication in ELM057 of 10m @ 1.72 g/t Au. Further interpretation is taking place prior to follow-up drilling next month.

## Northcote Drilling Details and Significant Intersections

Prospect	Hole ID	Easting Metres	Northing Metres	AHD Metres	Depth Metres	Dip Degrees	Azimuth Degrees	Significant Intersections
<b>East Leadingham</b>	ELM051	307,762	8,120,106	517	57	-55°	38°	6m @ 0.72 g/t Au from 20m
	ELM054	307,698	8,120,145	513	75	-55°	353°	2m @ 1.30 g/t Au from 14m 6m @ 0.78 g/t Au from 30m
	ELM055	307,676	8,120,109	513	74	-55°	38°	2m @ 0.74 g/t Au from 44m 2m @ 0.94 g/t Au from 58m 4m @ 1.25 g/t Au from 70m
	ELM056	307,739	8,120,124	515	70	-55°	38°	2m @ 2.29 g/t Au from 2m 4m @ 0.88 g/t Au from 8m 6m @ 0.66 g/t Au from 14m
	ELM057	307,749	8,120,091	519	56	-55°	38°	8m @ 1.08 g/t Au from 2m 8m @ 2.08 g/t Au from 42m
<b>Tunnel Hill</b>	THL012	305,892	8,121,492	580	50	-55°	38°	2m @ 0.66 g/t Au from 0m 4m @ 1.02 g/t Au from 28m 6m @ 1.44 g/t Au from 36m
	THL015	305,962	8,121,413	563	45	-55°	38°	10m @ 1.45 g/t Au from 22m including

								6m @ 2.12 g/t Au from 22m
	THL016	305,984	8,121,404	562	50	-55°	38°	4m @ 1.13 g/t Au from 10m
	THL017	306,003	8,121,387	556	50	-55°	38°	4m @ 1.67 g/t Au from 10m
	THL019	306,043	8,121,355	555	36	-55°	38°	2m @ 1.79 g/t Au from 2m 2m @ 0.57 g/t Au from 8m 4m @ 2.36 g/t Au from 12m
	THL020	306,056	8,121,335	551	50	-55°	38°	4m @ 2.98 g/t Au from 22m 2m @ 1.43g/t Au from 40m
	THL021	306,079	8,121,325	550	50	-55°	38°	2m @ 0.9 g/t Au from 10m 2m @ 2.49 g/t Au from 16m
	THL023	306,095	8,121,302	549	50	-55°	38°	2m @ 0.96 g/t Au from 18m 6m @ 1.66 g/t Au from 22m

Intersections are generally at angles of greater than 70° to mineralised structures.

## Whumbal West Tungsten Project (EPM 14737 Republic 100%)

During the Quarter planning work for the second stage of drilling was carried out. Drilling expected to take place in August 2008, with a total of approximately 2,000 metres of drilling planned at Whumbal West. This follows up the 2007 programme of approximately 1,500 metres that was drilled along the central 1,500 metres of this prospect that has a geochemical anomaly striking over 3,500 metres.

Figure 3 shows a composite plan showing Whumbal West drillhole locations overlaid on the geochemical anomaly with the first derivative of the aeromagnetic and gravity signature.

## Kangaroo Creek Tin Joint Venture

During the Quarter the Company signed a Heads of Agreement to enter into a Joint Venture with Staldor Mining Pty Limited ("Staldor Mining") to explore and mine on a series of granted exploration and mining leases and lease applications that are highly prospective for tin and other heavy minerals. Subsequent to the end of the Quarter the Company and Staldor signed a formal Joint Venture Agreement. The Company plans to commence an initial phase of work immediately, consolidating all of the historical geological data for one of the most prospective areas, the Kangaroo Creek Project, and then move into an alluvial mining phase at Kangaroo Creek. Kangaroo Creek has an existing treatment plant from earlier mining activity that will require refurbishment and a serviceable camp. Staldor Mining believes that the Kangaroo Creek Tin Mine has potential for 5.5 million cubic metres of tin bearing alluvial material and the Dickson Creek Tin Prospect has potential for 4.4 million cubic metres of tin bearing alluvial material. Appraisal of the other project areas will be commenced after the initial work at Kangaroo Creek is completed.

The ability to generate a cash flow in the near future from this investment is of prime importance to the Company. Nearly all the lease areas have considerable potential for tin, with the aim of the Joint Venture being to set up a number of operating tin plants on the project areas. The price of tin has exploded in the past few months, rising from US\$16,000 per tonne at the start of the year to its current price of over US\$22,000. Tin's recent high was over US\$25,000 per tonne.

### Joint Venture Structure

The Joint Venture is to be structured as follows: -

- o The Company has paid Staldor Mining \$650,000 to purchase the Kangaroo Creek and Boomerang Projects from local prospectors after paying an initial \$25,000 deposit.
- o The Company will pay Staldor Mining's shareholders a total of \$50,000 and seek shareholder approval to allot the Staldor Mining shareholders \$200,000 in Republic Gold shares.

- The Company will provide \$150,000 for the Joint Venture to assess the projects and develop a mining plan, probably commencing at Kangaroo Creek. If this assessment is not satisfactory then the Company is not obligated to spend further funds and will own 25% of the Joint Venture.
- The Company will then provide a further \$875,000 for the Joint Venture to develop the first tin mining project, probably at Kangaroo Creek, at which point it will have earned 51% in the Joint Venture.
- From this point both Joint Venture parties contribute at their levels of interest or dilute.
- Staldor Mining has accepted the appointment of four Republic nominees to its Board, with a Republic nominee to fulfil the role of Chairman of the new Board of seven people.
- Once the Joint Venture agreement is signed, anticipated to be within the next month, the four Republic nominees will retire from the Staldor Mining Board. A Joint Venture Committee of 7 appointees will be formed to run the projects with 4 representatives of Republic Gold and 3 representatives of Staldor Mining.
- Staldor Mining has applied for four EPMs that are remote from the main tin projects, to the south-east. The Company is able to investigate these projects by spending up to \$100,000 on each. If the Company decides that any of these EPMs is of interest then they will be included in the Joint Venture, with no change in the Joint Venture equity by the payment of \$200,000 to Staldor Mining for each EPM transferred into the Joint Venture.

Importantly for the Company, a number of the Staldor Mining shareholders will play an active field role for the Joint Venture. These include two experienced tin prospectors and an experienced geologist. This will relieve the work load on the Company's technical staff.

### **Kangaroo Creek Tin Mine and Boomerang Tin Prospect**

The Kangaroo Creek Tin Mine is located approximately 70 kilometres south-west of Chillagoe, with Chillagoe being two hours drive west of Mareeba on a bitumen road. The town of Chillagoe supports a number of mining and exploration projects, including the Mungana Base Metals Project being developed by Kagara Limited. The project area is serviced by a gravel road and also has an airstrip nearby. The Kangaroo Creek Tin Mine consists of three granted mining leases and one granted EPM. MLs 5115, 5134 and 5135, covering 259 hectares, will be the focus of initial attention, as these leases have been most recently worked by prospectors and will enable the Joint Venture to commence tin mining operations on granted mining leases. There is a serviceable camp at these leases and a small treatment plant, although this plant is not being considered for use at the Kangaroo Creek Tin Mine. The current Staldor Mining plan envisages the construction of a new treatment plant for mining operations at Kangaroo Creek in the near future. There is a large stockpile of tin bearing material ready for treatment, plus the potential of retreating the tin tailings from former operations. It is believed that the metallurgical recoveries through the existing treatment plant were poor, with visible heavy mineral being seen in the tailings.

Pit sampling (310 pits) was undertaken on the leases in the 1980s by Alberta Mines and Eden Exploration, when the last significant tin production took place. There are no resources from this sampling work that can be quoted, although Alberta Mines did quote an ore reserve in its 1980s prospectus estimated by Normin Consultants, which specialised in alluvial operations. Resource estimation will be one of the first priorities for the area, with a reconciliation of mined and unmined material to be done. It is believed that this sampling did not penetrate what is considered to be a "false bottom" with potential for tin bearing wash to exist beneath this false bottom.

The Boomerang Creek Prospect sits in ML 5136, covering 100 hectares, approximately 4 kilometres to the north of the Kangaroo Creek Tin Mine. The current plan by Staldor Mining is to move the existing Kangaroo Creek Tin Mine treatment plant to Boomerang Creek.

The two project areas also offer the potential to produce screened aggregate and sand as by-products for the Far North Queensland, including Cairns, building and residential markets.

Staldor Mining believes that the Kangaroo Creek Tin Mine has potential for 5.5 million cubic metres of tin bearing alluvial material. This target quantity will be tested in the first phase of work by the Joint Venture.

## **Dickson Creek Prospect**

The Dickson Creek Tin Prospect lies 4 to 6 kilometres to the north-west of the Kangaroo Creek Tin Mine. This prospect is covered by five mining lease applications, MLAs 20554, 20555, 20556, 20557 and 20559, covering 219 hectares. There are also two EPM applications in this area, EPMA 16330 and 16703, covering 439 square kilometres, where one of the applications has a competing application in the western portion of the EPM area. This competing application does not impact the mining lease applications that are all located in the eastern portion of this EPM application.

Sampling grades for the Dickson Creek Tin Prospect are higher than for the Boomerang Creek Tin Project and have ranged from 1 to up to 10 kilograms per tonne of cassiterite.

Staldor Mining believes that the Dickson Creek Tin Prospect has potential for 4.4 million cubic metres of tin bearing alluvial material. This target quantity will also be tested in the first phase of work by the Joint Venture.

## **Other Tin Prospects Near the Kangaroo Creek Tin Mine**

There are two other EPMs 40-50 kilometres to the south-east of the Kangaroo Creek Tin Mine that are part of the Joint Venture and are also prospective for tin. These are EPMs 16033 and 16253 covering 544 square kilometres. Staldor Mining believes that EPM 16033 has potential for several million cubic metres of tin bearing alluvial material.

## **Other Exploration Permits**

The Joint Venture can potentially explore four EPM applications, including those above, covering a total of 674 square kilometres, EPMA 16033, 16253, 16264 and 16528. These are located in the Ravenshoe and Innot Hot Springs areas to the south-east of the Kangaroo Creek Tin Mine. These EPM applications are prospective for tin, gold, molybdenum and base metals.

## **Tin Usage & Occurrences**

Tin has excellent fusion abilities and hence is used in the making of alloys, notably bronze, pewter and die-casting alloys. Tin is also alloyed with tungsten to make it more machineable. The largest uses for tin are for the production of solders and tin plating. Tin is also used in the manufacture of glass and in the chemicals industry.

Historically, Malaysia was the dominant player in the world tin industry. Today that role has been taken over by China. Bolivia also has a number of world class tin mines and tin prospects in Bolivia are being looked at by the Company, as well as gold, base metals and iron ore prospects.

The Company's mining engineer in Bolivia, Sn Juan Cabrera has spent 40 years working in the tin industry and will be able to provide considerable assistance for the Joint Venture projects.

## **Tregoorra and Northcote Projects Feasibility Study Programme**

In previous market releases the Company has announced that it would seek to drill up its Far North Queensland gold projects to the point that a total resource of 750,000 ounces of gold existed. Following the recent very successful results from the Tregoorra drilling, the Company will embark upon a further round of drilling at Tregoorra so that resources can be generated at new prospects identified by this drilling.

The Company has revitalised its assessment of current gold resources for a Bankable Feasibility Study ("BFS") on the FNQ Gold Projects. The rise in the Australian dollar denominated gold price to nearly \$1,000 per ounce is the impetus for accelerated project assessment.

Technical work on the Company's gold projects is already at an advanced stage. Mining leases have been applied for at both projects, a number of environmental studies have been completed, extensive metallurgical testwork has been done and 71% of the gold resources are classified in the higher quality measured and indicated categories.

The Company is in the process of engaging a consulting group to have overall responsibility for the completion and independent sign-off of the BFS.

## **Regional Hodgkinson Basin Exploration Programme**

There was no regional exploration during the June Quarter, with all efforts concentrated on the Tregoora and Northcote drilling programme. A concentrated effort on regional exploration will take place in the September Quarter.

### **Future Work Programme at Tregoora**

Planning has commenced for the Stage 2 drilling programme which is anticipated to commence in August 2008 with approximately 1,000 metres to be drilled.

### **Future Work Programme at Northcote**

Planning has commenced for a small Stage 2 drilling programme which is anticipated to commence soon. Several RC holes and three diamond tails on RC pre-collars drilled are planned in this programme with approximately 700 metres to be drilled in August 2008.

### **Future Work Programme at Whumbal West**

Approximately 2,400 metres of drilling is planned at Whumbal West following up the 2007 programme of approximately 1,500 metres that was drilled along the central 1,500 metres of this prospect that has a geochemical anomaly striking over 3,500 metres.

### **Future Work Programme at Kangaroo Creek**

The Joint Venture Committee will be formed and water supply secured pending a commencement of operations.

## **Expenditure**

Expenditure for the June Quarter on the Hodgkinson Basin tenements amounted to \$690,500. Expenditure in the September Quarter will be similar at approximately \$700,000 with the 2008 Stage 2 drilling programme commencing in Early August.

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## BURRAGA POLYMETALIC & LUCKY DRAW GOLD (NSW) PROJECTS

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### Work During the Quarter

The mineralisation at Burruga is hydrothermal Cu-Au style with a suggested deeper porphyry intrusive source, similar to most of the major discoveries in NSW over the last 20 years. This was confirmed during the Quarter when the Company received a petrology report based upon thin-section microscope work from samples derived from the 2007 drilling programme.

The Company is planning on a two-fold drilling strategy for the 2008 field season. A programme of 3,000 to 5,000 metres of relatively shallow drilling will target the newly recognised lead and zinc potential and also the known copper and gold areas to attempt to generate a resource at Burruga. A programme of 2,000 to 3,000 metres will target the deeper, +200 metres, Cadia-style porphyry potential of the project. A number of untested and very distinct magnetic high features will be tested with this programme.

Figure 4 shows drillhole locations at the Lloyd's Mine at Burruga.

### Petrology Report For Burruga Base Metals Project

During the Quarter the Company received a petrology report for the Burruga Base Metals Prospect. This report indicates that Burruga mineralisation fits what is known as the "carbonate-base metal" model of mineralisation. A number of significant mineral deposits of this style are located in the south-west Pacific Rim including Kelian, Gold Ridge, Mt. Kare, Porgera, Woodlark Island, Karangahake and Lake Cowal.

A petrologist report looks at samples of rock from a mineral deposit under a microscope to determine in detail what minerals compose the rock and what rock types are present. Because of the differing ways in which mineral bodies are formed geologically, there are common assemblages, or groups, of minerals for particular mineralisation styles. In the report on the Burruga rock samples the petrologist makes numerous technical mentions of hot hydrothermal fluids, biotite/phlogopite alteration, adularia-carbonate-silica alteration and proximity to a nearby intrusive (the source of later alteration and sulphides) and describes an alkaline trachybasalt dyke rock.

This description fits well with the "carbonate-base metal" model of mineralisation, being a distal part of a porphyry system. This also adds weight to the possibility that Burruga could be a large mineralised system.

### New Burruga Model

During the previous Quarter the Company's technical team built a computer model for the Burruga Polymetallic Project in Central New South Wales. The new model provides multiple targets for the 2008 drilling field season with the copper and gold targets and the silver, lead and zinc targets to be drilled.

The model indicates the potential that the Company saw in the project from the 2007 drilling programme and confirms the potential for a large scale body of mineralisation at Burruga, with the recent drilling showing that the mineralised strike length is over 2,400 metres. In 2008 the Company will target the deeper Cadia-style porphyry system that is suggested from work to-date. Drilling will also target a near surface lead-zinc system indicated by the 2007 drilling and previously untested.

The modelling has incorporated all the 14 levels of old Lloyd's Mine underground workings, both from the early 20<sup>th</sup> Century and from the 1980's. Drilling data from the Company's 2007 field season has been included as well as an extensive drilling database from the 1980's. Numerous cross-cutting faults have been recognised in the model which indicate the structural complexity of the mineralised system and provide indications as to where potential blocks of mineralisation may have been displaced to.

Both the drilling information and the surface geochemistry now indicate a distinct zonation of metals. The untested lead and zinc mineralisation occurs to the west of the copper and gold mineralisation. The strike length of the lead and zinc zones are more coherent and extensive than those of the copper and gold and may be controlled by stratigraphy. All of the historic work on the project has concentrated on the copper and gold areas. The model has demonstrated the presence of a number of near surface targets for lead and zinc mineralisation that have not been targeted previously. The Company's 2007 drilling distinctly shows up this metal zonation.

## Expenditure & Future Programme

Expenditure for the June Quarter on Burraga amounted to \$27,500. Expenditure in the September Quarter will be higher at \$400,000 with the start of an anticipated deeper drilling programme at Burraga.

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## AMAYAPAMPA GOLD PROJECT – BOLIVIA

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### Work During the Quarter

In early April, the Company entered into a transaction with Vista Gold Corp ("Vista Gold") of North America to purchase the 720,000 ounce Amayapampa Gold Project in Bolivia ("Project"). Details of these resources are given below. Amayapampa was one of two Bolivian projects that the Company had previously worked on extensively. Figure 5 shows the location of Amayapampa.

Amayapampa has a current estimated Mineral Resource of 720,000 ounces of gold, as detailed below. The Company believes this Mineral Resource has significant potential for expansion. The Project also has significant potential for the discovery of the antimony mineral, stibnite. Amayapampa has been extensively drilled and the extensive underground workings have been sampled as well. All the other necessary other work to complete a Bankable Feasibility Study on the Project such as metallurgical testwork, plant design and environmental studies have been completed on the Project.

### Transaction Details

Republic is buying all of the shares in Vista Gold's wholly-owned subsidiary, Vista Gold (Antigua) Corp, a company incorporated in Antigua and Barbuda ("Vista Gold (Antigua)"). Vista Gold (Antigua) wholly-owns a number of subsidiary companies in Bolivia, including Minera Nueva Vista S.A. which is the registered holder of the concessions that comprise the Amayapampa Project.

The Company pays Vista Gold no cash upfront and will pay three equal payments of US\$1M, the first once commercial production has commenced at the Project and then on the first and second anniversaries of this occurrence.

The Company will also pay a graduated royalty to Vista Gold according to the following table.

Gold Price: US\$/oz	Royalty Payable to Vista Gold
\$500.00 or less	0.00%
\$500.01 to \$650.00	2.00%
\$650.01 to \$750.00	3.00%
\$750.01 and above	3.50%

The royalty is capped to a production maximum of 720,000 troy ounces of gold.

In buying the chain of companies from Vista Gold, Republic will be taking over the responsibility for litigation commenced against Minera Nueva Vista S.A. by Mrs Gladys Radic. Vista Gold has agreed to loan the Company US\$350,000 for six months in large measure to finalise this litigation. Both Vista Gold and the Company believe the litigation is completely without merit.

Vista Gold has a first right of refusal over the Project. Vista Gold also has a right of repurchase of the Project if the Company hasn't completed financing to put the Project into production within 5 years of the agreement signing date. Vista Gold will pay the Company 75% of the aggregate costs incurred by the Company on the Project if this repurchase right is exercised.

The agreement provides a list of warranties by Vista Gold with a warranty period of 12 months.

## **Update on the Amayapampa Project**

Since the Company ceased involvement with Amayapampa approximately 12 months ago, the Project has been advanced significantly. The main issue the Company had been dealing with previously had been social issues in the village of Amayapampa and surrounding communities. The Bolivian senior employees of Minera Nueva Vista S.A. have significantly advanced this issue with the commencement of a training programme for the villagers. A total of 280 people are employed under this programme, giving many of them a guaranteed income in safe working conditions for the first time in their lives. The programme is designed to give the villagers literacy and numeracy skills and then train them for mine operations roles. During the Company's due diligence, a meeting was held in the village with over 200 of those people employed under the training programme. The spirit of this meeting and its outcome was excellent.

The second major advance with the Project was the granting in mid-2007 of a new Environmental Permit for the mine. This work was commenced under the Company's guidance. During the Company's due diligence, the Company met with the Prefecto of the Department of Potosi (equal to a State Premier in Australia) and his Mining and Environmental Advisors who were all responsible for guiding this Permit through the Potosi permitting system.

Company representatives also met with Bolivia's Minister for Mining and Metallurgy who assured the Company that Western investment in the mining sector in Bolivia was very welcome and very safe.

Other significant progress made during the Quarter has seen Republic pushing forward with the update of the Amayapampa Bankable Feasibility Study.

Republic's Managing Director; John Kelly, said:

Following a visit to Bolivia and North America during the Quarter the following progress has been made on the Amayapampa Bankable Feasibility Study: -

- ◆ Discussions were held with the leaders of the union, village of Amayapampa and some of the surrounding communities on an imminent move to a full-time training programme and the wages to be paid upon commencement of the full-time programme. Prior to this the workers were being paid approximately half of the new rate while the training programme was on a half-time basis. The new wages rate is considerably higher than the base labouring rate in Bolivia, with the Company wanting to operate in a socially responsible way.
- ◆ In exchange for this wage increase, the workers, communities and union, at both a local and national level, have agreed to give complete support to the Company in its efforts to put Amayapampa into production and to support the Company in its efforts on any other project in Bolivia.
- ◆ The Company has recommenced work on the Amayapampa resource block model.
- ◆ The Company has secured the services of a range of consultants, all with experience in Bolivia, to commence work on the Amayapampa Bankable Feasibility Study. These include a specialist metallurgical

engineering firm, a tailings storage expert, who will also work on water issues for the Project and a mining consultant to commence pit optimisation, costing and mine scheduling work once the block model is finalised.

- ◆ An agreement has been signed with Senor Melgarejo to enable the transfer of his 25% interest in some concessions at Amayapampa as envisaged in the Company's initial disclosure to the market on Amayapampa.

- ◆ The company providing the training programme to the workforce will step up its efforts to match the aggressive timetable set for completion of all preliminary work leading up to the conclusion of the Bankable Feasibility Study.

- ◆ A highly productive meeting was completed with a financier who is keen to assist the Company to finance the Project.

The Company has begun to actively pursue other mineral projects in Bolivia, including base metals, tin and iron ore projects.

Figure 6 shows the hill that contains the Amayapampa Deposit and the exploration camp. Figure 7 shows the surface workings near the top of the hill.

## **Amayapampa Drilling Programme**

At the end of the Quarter the Company announced that it has planned a 1,500 metre diamond drilling programme at the Amayapampa Gold Project in Bolivia. The aim of the programme is to check a number of high grade channel samples in the orebody and to extend the mineralisation to depth where a small number of drillholes and one channel sample indicate that the mineralisation has good potential for extensions at depth.

This drilling programme has been planned following a visit to the site by the Company's Managing Director, Mr John Kelly, and its Technical Director, Mr Neb Zurkic.

Ten drillholes are planned, with the longest hole being 220 metres.

The grades of some of the channel sampling are very high, with 5 metres at 127.1 g/t Au and 20 metres at 40.6 g/t Au being the best. These are part of a suite of better than 10 g/t Au, mostly 5 metre intervals which are spatially well represented over a 400 metre strike length and 150 metre depth. From the channel sampling that can be viewed in the old workings and from discussions with the supervising senior geologist at the time, it seems that the sampling was done correctly, but this needs to be confirmed. We have also run some optimised pits as part of the planning process and the one channel sample beneath these optimisations runs 10 metres at 5.6 g/t Au. If the zone represented by this sample can be extended significantly then there is excellent potential to enlarge the size of the open pit considerably and extend the life of the Project.

The orogenic, sediment-hosted style of the Amayapampa mineralisation lends itself to the high grades already encountered and also to significant depth and strike potential. The geological corridor that hosts Amayapampa has a strike length of 15 kilometres and is mineralised with a number of base and precious metals at a series of current and historic mines. The Company's Bolivian subsidiary holds mining concessions that cover approximately 5.5 kilometres of this mineralised corridor.

A local drilling contractor, Leduc Drilling, has a rig available and will visit the site this week to review logistical issues with the programme prior to contracting to do the work.

## Work Required to Progress the Project

Vista Gold completed a number of Bankable Feasibility Studies culminating in a final study in 2000. Luzon Minerals Limited partially updated this last study in an NI 43-101 report that was accepted by the Toronto Ventures Stock Exchange as a Scoping Study in 2006. When the Company's involvement in the Project was terminated 12 months ago, it had nearly completed a fully updated Bankable Feasibility Study with the main exception being a detailed study on a new tailings dam, which it had started work on.

The following work is seen as necessary to complete a Bankable Feasibility Study for Amayapampa so that financing for the Project can be sought: -

- Continue the workers' training programme.
- Review the geological block model constructed by the Company.
- Finalise pit optimisation and mine scheduling work.
- Complete a study on the new tailings dam.
- Update the operating and capital costs for the project.
- Gain a sign-off on the study by an independent consulting firm.
- Finalise issues with the metallurgical processing route and plant design.

Monthly operating costs for Bolivia are anticipated to be approximately US\$110,000. The cost to complete the feasibility study is estimated at US\$300,000. The Company will also need to finalise an old transaction commenced by Minera Nueva Vista S.A. to buy 25% of some of the concessions at Amayapampa for US\$500,000.

## Inward Investment into Bolivia

There is continual and significant inward investment into Bolivia mainly from North American companies. Coeur d'Alene Mines Corp. is about to commission its US\$174M San Bartolome Silver Project in Potosi. Apex Silver Mines Limited has been operating its +US\$750M San Cristobal Silver Project for approximately 12 months. In February, Atlas Precious Metals Inc. announced a transaction with the Bolivian state mining company, COMIBOL, to buy into the Karachipampa smelting complex for US\$141M. Eighteen months ago Jindal Steel and Power Ltd. from India announced a +US\$2B deal with the Bolivian Government for the El Mutun iron ore project.

## Potential of Bolivia

The purchase of Vista Gold (Antigua) and its subsidiaries gives the Company a base in Bolivia, with a small number of staff that it has worked closely with before. One of the senior staff is a pre-eminent and highly respected mining engineer in Bolivia who has a wide knowledge of the Bolivian mining industry. The other senior staff member is a lawyer who is highly experienced in the Bolivian mining industry through her long association with Vista Gold and other mining companies.

As Amayapampa and other projects the Company knows of are in identical geological settings to those found in the Company's Hodgkinson Basin project area and in Central Victoria, the Company considers that the Altiplano region of Bolivia has strong economic potential. The Company will actively seek other projects in Bolivia to complement its knowledge and understanding of the geology of the region.

The Directors of the Company see this transaction as another step in building a gold company with substantial mineral resources and ore reserves. To pursue this important goal, the Company has recently employed a number of new staff for its Mareeba Head Office with the view to aggressively pursuing the Company's existing Far North Queensland projects.

## Expenditure & Future Programme

Expenditure for the June Quarter on Amayapampa amounted to \$179,000. This was all related to due diligence and legal expenses. Expenditure in the September Quarter will be approximately \$400,000 as the Company continues the training programme at the mine, completed the 1,500 metres drilling programme and progresses the Bankable Feasibility Study.

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## CALLABONNA URANIUM (SA) PROJECT

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### Work During the Quarter

Work during the Quarter saw the announcement by the Company that Curnamona Uranium Pty Limited (“Curnamona”) is included in a suite of assets to form part of the upcoming Initial Public Offering (“IPO”) of Callabonna Uranium Limited (“Callabonna”). The Company has a 35% interest in Curnamona, which was originally called Callabonna Uranium Pty Limited. Curnamona is included contractually in a binding Heads of Agreement between Planet Gas Limited and Touchstone Management Pty for this IPO. The Callabonna assets include a series of exploration licences prospective for uranium and a series of geothermal exploration licences. The Company has been informed that the Callabonna prospectus is expected to be lodged with ASIC in July.

The aim of the IPO is to raise \$8 million through the issue of 40 million new shares at an issue price of 20 cents each. The Company will receive 4,313,925 vendor shares in Callabonna, which will be escrowed for a period of two years after the successful listing of Callabonna on the ASX.

The highlights of the proposed IPO are as follows: -

- Callabonna will have an experienced Board, including geologist Mr Mike Raetz, Dr Andrew Wilde and Mr Peter Bull. Mr Raetz (Managing Director) had a long career with the BHP Minerals Discovery team, including four years as Principal Geologist. He has been responsible for the exploration of base and precious metals and uranium. Dr Wilde has many years experience in uranium research and exploration, and Mr Bull has worked both as an exploration geologist and finance broker with Macquarie Bank. The other Board members, Mr Peter Nightingale (Chairman) and Mr Mark Lochtenberg, have a track record of successful minerals company management and commercial marketing experience.
- Seed capital raised has been spent on an aerial electro-magnetic survey to cover the original Curnamona tenements and additional adjoining tenements that together form the “Curnamona Project” in Callabonna. The survey aims to locate paleo-channels which could potentially host sedimentary uranium deposits similar to the Beverley, Beverley Four Mile and Honeymoon Uranium Projects that occur in the Callabonna Sub-Basin. The results of this survey are expected soon after the proposed listing of Callabonna and will be used to design an exploration drilling programme.
- The Australian subsidiary of Asia’s fourth largest oil refining companies, SK Energy with over \$23 billion in annual sales, will support the IPO by subscribing for \$500,000 of convertible notes prior to the IPO with various redemption mechanisms depending on the funds raised by the IPO, as well as 10 million shares in the IPO. As part of the convertible note subscription agreement SK Energy has the right to purchase at least 20% of any uranium production from any deposits mined by Callabonna.
- There are twelve mineral exploration licences in South Australia and the Northern Territory, and six geothermal exploration licences in South Australia in the IPO. Four of the South Australian mineral exploration licences that were vended into the IPO from Curnamona are shown numbered in the Figure below.

Figure 8 shows Callabonna tenements.

Republic shareholders have been given a priority allocation in the Callabonna IPO. The Company will announce when the Callabonna IPO prospectus is available. In the interim, details of all the projects in Callabonna can be found on the website [www.callabonna.com.au](http://www.callabonna.com.au)

## RESOURCE STATEMENT & JORC CODE COMPLIANCE STATEMENTS

### Gold Resources - Equity Share

	MEASURED		INDICATED		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
TOTAL NORTHCOTE <sup>1</sup>	1,295	2.3	1,056	1.8	635	1.8	2,985	2.0	195,000
TOTAL TREGOORA	---	---	1,605	1.8	1,242	1.6	2,847	1.7	156,000
ATRIC <sup>1</sup>	---	---	890	1.9	46	1.7	936	1.9	57,000
REEDY-HURRICANE	---	---	---	---	797	1.3	797	1.3	33,000
<b>TOTAL HODGKINSON BASIN</b>	<b>1,295</b>	<b>2.3</b>	<b>3,550</b>	<b>1.8</b>	<b>2,721</b>	<b>1.5</b>	<b>7,566</b>	<b>1.8</b>	<b>441,000</b>
TOTAL LUCKY DRAW NSW <sup>2</sup>	---	---	176	2.2	490	2.9	666	2.7	57,000
TOTAL AMAYAPAMPA	5,150	1.6	9,030	1.4	1,960	1.0	16,140	1.4	720,000
<b>TOTAL MINERAL RESOURCES</b>	<b>6,445</b>	<b>1.7</b>	<b>12,756</b>	<b>1.5</b>	<b>5,171</b>	<b>1.0</b>	<b>24,372</b>	<b>1.6</b>	<b>1,218,000</b>

### Antimony Resources - Equity Share

	MEASURED		INDICATED		INFERRED		TOTAL		
	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES Sb
<b>NORTHCOTE ANTIMONY</b>	<b>1,295</b>	<b>0.3</b>	<b>1,056</b>	<b>0.2</b>	<b>635</b>	<b>0.3</b>	<b>2,985</b>	<b>0.3</b>	<b>8,000*</b>

\* This tonnage equates to approximately 47,000 ounces of gold at a gold price of AUD\$1,010 and Sb price of US\$5,900/t antimony before any metallurgical treatment parameters are taken into account.

#### Notes:

<sup>1</sup> Figures are Republic's equity share of these projects, being 75% of the Northcote and Lucky Draw projects and 90% of the Atric and Reedy projects.

<sup>2</sup> Resources for Lucky Draw have been estimated by a competent person in accordance with the JORC Code and have been adopted for this report. The Company is in the process of making its own estimates by block modelling, but has no reason to doubt the existing resources at this stage. For the Northcote resources, allowances have been made for depletion by the recorded mining amounts for the 1990's Nittoc mining campaign. Resources may not sum to equal totals due to rounding.

Resources for Amayapampa have been published in a Canadian NI-43101 report which meets the standards for reporting under the JORC Code.

Location	Grade Interpolation Method	Section Spacing metres	COG g/t Au Oxide	COG g/t Au Sulphide	Oxide Density	Sulphide Density
<b>HODGKINSON BASIN</b>						
Northcote	Block Model ID2	25	0.5	1.0	2.0	2.7
Tregoora	Block Model ID2	25	0.5	1.0	2.0	2.7
Atric	Block Model ID2	25	N/A	0.5	2.5	2.5
<b>LUCKY DRAW</b>						
Lucky Draw West	Contoured WAA	--	N/A	0.5	2.5	2.5
Hackney's Creek Upper	Sectional WAA	25	N/A	0.5	2.5	2.5
Hackney's Creek Lower	Sectional WAA	25	N/A	1.0	2.5	2.5
<b>BOLIVIA</b>						
Amayapampa	Block Model Ordinary Kriging	--	0.4	0.4	2.78	2.78

<sup>1</sup> Top cuts of 30 Au g/t for East Leadingham and 15 Au g/t for Emily and Emily South were applied to composite grades for grade estimation with all other deposits at Northcote using 10 Au g/t top cuts. A top cut of approximately 40 Au g/t was applied to the Amayapampa model.

## Resource Estimation Parameters

### Notes Accompanying The Mineral Resources Statement

Information in this report that relates to Mineral Resources for Republic Gold Limited is based on information compiled by Chris Roberts, Republic Gold's Chief Geologist, a full-time employee of the company and a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. It is also based on information estimated by Kerrin Allwood, Republic Gold's Resource consultant, a member of the Australasian Institute of Mining and Metallurgy. Both Chris Roberts and Kerrin Allwood have a minimum of five years experience in the estimation, assessment and evaluation of Mineral Resources and Ore Reserves. Information in this report that relates to Mineral Resources for Amayapampa is based on information reviewed by John Kelly, Republic Gold's Managing Director, a member of the Australasian Institute of Mining and Metallurgy who has a minimum of five years experience in the estimation, assessment and evaluation of Mineral Resources and Ore Reserves. John Kelly, Chris Roberts 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". John Kelly, Chris Roberts 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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## Corporate

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### Appointment of New Non-Executive Director

During the Quarter the Company announced the appointment of a new Non-Executive Director, Dato Choo Beng Kai. Dato Choo is a Malaysian national with extensive business interests in Malaysia through his role as Group Managing Director of Masmeyer Holdings Sdn Bhd.

Dato Choo became a shareholder when the Company made a placement in October 2007. His contacts in Malaysia and further afield in South-East Asia will be important for the Company's future development. Importantly Dato Choo is fluent in Mandarin, which has already been of great assistance to the Company in its dealings in China and will be even more so into the future.

As part of Dato Choo's remuneration package the Directors have offered Dato Choo options in the Company as an incentive. The issue of these options requires a vote by shareholders. The Company will recommend to shareholders that Dato Choo, or his nominee, be issued with 6,000,000 unlisted options exercisable at 12 cents (which was 25% above the Company's closing share price on the day before Dato Choo was appointed a director) and expiring 3 years after the day of Dato Choo's appointment.

### Chinese Co-Operation Negotiations

At the start of the Quarter the Company hosted a third visit to Australia by the Chinese group that is interested in the Company's properties. The Company was invited to China during this visit to discuss the details of a potential co-operation agreement between the two groups.

The delegates for this visit included the Chairman of the overall holding company of the Chinese group and the Chairman of the Southern division of the group. This Chinese group has an annual turnover of RMB26B, equivalent to approximately AUD\$4B. Importantly, accompanying the delegation was a very senior Chinese politician who has overall responsibility for this group and a wide range of natural resources interests in China.

The Company directors and its consultants were able to give the delegation a detailed presentation on the Company's activities and once again the delegation viewed the Company's 75%-owned Burruga Base Metals Project.

Following up this visit, Company executives visited China to hold further co-operation discussions with the Chinese group. The Company's executives had a number of very useful meetings with the senior executives of this organisation, including site visits to one of the Chinese groups operations in Southern China.

The Company is preparing further information that has been requested by the Chinese. The Chinese group is undergoing a restructure and has indicated to the Company that discussions will recommence upon the conclusion of this restructure.

## **Luzon Minerals Limited Litigation**

In the March Quarter the Company served a 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 following in Canadian dollar equivalents: -

(a) payment from Luzon in the amount of AUD\$724,196.25 for advances made by Republic to Luzon as loans or for payment of Luzon's creditors;

(b) payment from Luzon in the amount of AUD\$1,205,683.30 for management, technical, consulting services and expenses rendered to and invoiced to Luzon;

(c) interest in the amount of AUD \$285,847.03 to June 30, 2007 together with interest on all unpaid amounts from that date to the date of judgment at the rate of 15 percent per annum;

(d) pre and post judgment interest as per British Columbia Rules of Court; and

(e) Costs as per British Columbia Rules of Court.

Luzon subsequently filed its defence against the Statement of Claim by the Company. Luzon has issued a counter claim against the Company which the Company believes is totally baseless. The Company will continue to pursue the matter.

During the current Quarter the Company issued and is the process of serving a further Statement of Claim against Luzon Minerals Limited ("Luzon") in Canada. The Statement of Claim was also prepared by Cassels Brock and Blackwell LLP, 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.

The Company served a third Statement of Claim on Luzon on behalf of the Company's Managing Director who loaned Luzon US\$60,000 via a Promissory Note signed by the Luzon President D. MacDonald in July 2006 when Luzon needed funds. Despite Luzon raising \$1,000,000 subsequent to this loan being entered into and a demand for payment being served, the Luzon directors have consistently refused to repay this loan.

## Directors' Share Transactions

Mr Greg Barns sold 2,000,000 shares in June 2008. There were no other share transactions by directors during the Quarter.

## Exercise of Options

During the Quarter, 10,251,384 options @ 2.5 cents were exercised. These exercises raised the Company \$256,000.

A Notice of Exercise of Options is available on the home page of the Company's website at [www.republicgold.com.au](http://www.republicgold.com.au)

Any optionholders wishing to exercise their options to shares should complete and sign the Notice and return it, together with payment, to the Company's registered office. As at 30 June 2008, a total of 68,740,388 2.5 cent options remain to be exercised that would raise the Company a further \$1,719,000 if exercised.

## Cash Assets

Cash on hand at the end of the June Quarter was approximately \$7,302,000.

## Top 20 Shareholders and Optionholders

The following tables show the Company's Top 20 Shareholders and Optionholders at the end of the Quarter.

Rank	Shareholders	Shares	Percentage
1	Citicorp Nominees Pty Limited	45,744,507	6.46%
2	Zeus Pty Limited <Republic Gold Unit Trust>	42,243,470	5.96%
3	Nefco Nominees Pty Ltd	38,299,000	5.40%
4	Merrill Lynch (Australia) Nominees Pty Limited	26,379,750	3.72%
5	ANZ Nominees Limited <Cash Income A/C>	24,771,949	3.50%
6	Bell Potter Nominees Ltd <BB Nominees A/C>	23,700,000	3.35%
7	Mr Yew Meng Chay	16,550,000	2.33%
8	HSBC Custody Nominees (Australia) Limited	15,694,940	2.22%
9	DMG & Partners Securities PTE LTD <Clients A/C>	11,816,900	1.67%
10	Mr Siew Wah The	11,700,000	1.65%
11	Mr Wee Lock Ho	10,250,000	1.45%
12	Mr Chew Lai Ooi	10,000,000	1.41%
13	Phillip Securities PTE LTD	8,354,766	1.18%
14	CIMB-GK Securities PTE LTD	7,140,500	1.01%
15	DBS Vickers Securities PTE LTD	6,855,000	0.97%
16	Palazzo Nominees Pty Ltd <Palazzo Investments A/C>	6,500,000	0.92%
17	Boom Securities (HK) LTD	6,477,997	0.91%
18	Mr Swee Pook The	6,400,000	0.90%
19	Ms Hwei Chin Toh	5,952,646	0.84%
20	Mr Yi Ming Tan	5,485,722	0.77%
<b>Total</b>		<b>330,317,147</b>	<b>46.62%</b>

Rank	Optionholders - options expire on 30/11/2008 at 2.5 cents	Options	Percentage
1	Zeus Pty Limited <Republic Gold Unit Trust>	9,079,235	13.23%
2	Mr Fang Hua Ding	2,953,500	4.30%
3	Mr Ron Weinstock & Mrs Vivienne Weinstock <Ron Weinstock S/F A/C>	2,200,000	3.21%
4	Mr Gary Manauschek	2,199,444	3.20%
5	Japag Pty Limited	2,000,000	2.91%
6	Mrs Lorraine Webb	1,495,000	2.18%
7	Grosvenor Pirie Management Ltd (13A Roslyn No 1 S/F A/C)	1,420,238	2.07%
8	Mr Ron Gabriel Weinstock & Mrs Vivienne Weinstock (Ron Weinstock S/F A/C)	1,368,550	1.99%
9	Gateway Mining NL	1,350,000	1.97%
10	Mr Robert Cameron Galbraith & Mrs Jane Amanda Galbraith <Camanda Super Fund A/C>	1,275,000	1.86%
11	Bookman Pty Ltd & Bookman Pty Ltd (Trading A/C)	1,256,000	1.83%
12	Hooper Bailie Industries Pty Limited	1,250,000	1.82%
13	Mr Stephen Wayne Hickox	1,050,000	1.53%
14	Mr Christopher Leslie Barrett	1,040,000	1.52%
15	Mr John Habib	1,000,000	1.46%
16	Darrelen Pty Limited <Henfam Super Fund A/C>	1,000,000	1.46%
17	Mr David Henry Fleming & Mrs Elizabeth M Fleming <Fleming Super Fund A/C>	1,000,000	1.46%
18	Mr George Phillipos & Mr John D'Abbondio & Mr Thomas Kosserkas (East Perth Super Fund A/C)	968,183	1.41%
19	Arkipole Pty Ltd	595,000	0.87%
20	Mr Anthony Charles Smith & Mrs Diana Beverley Smith	580,000	0.84%
<b>Total</b>		<b>35,080,150</b>	<b>51.12%</b>



John Kelly  
Managing Director  
**REPUBLIC GOLD LIMITED**

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## Corporate Information

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### Directors

Peter Wicks	Non-Executive Chairman
John Kelly	Managing Director
Neb Zurkic	Technical Director
Greg Barns	Non-Executive Director
BK Choo	Non-Executive Director

### Exploration Team

Neb Zurkic, Exploration Director  
Chris Roberts, Chief Geologist  
Trevor Jackson, Exploration Manager  
Chris Jelonek, James Astor, Denise Cochrane, Susan Brickl, Jodie Simpson, Steve King and Kerrin Allwood

### Company Secretary

Roslynn Shand

### Registered Office & Operations Office

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PO Box 2314 Mareeba Queensland 4880  
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Email: [jkelly@republicgold.com.au](mailto:jkelly@republicgold.com.au)

### Stock Exchange Listing

Australian Stock Exchange  
Ordinary Shares Code **RAU**  
Listed Options Code **RAUO**

### Web Site

[www.republicgold.com.au](http://www.republicgold.com.au)

### Shareholder Enquiries

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Telephone: + 61 3 9615 9999  
Facsimile: + 61 3 8614 2903  
Web site: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

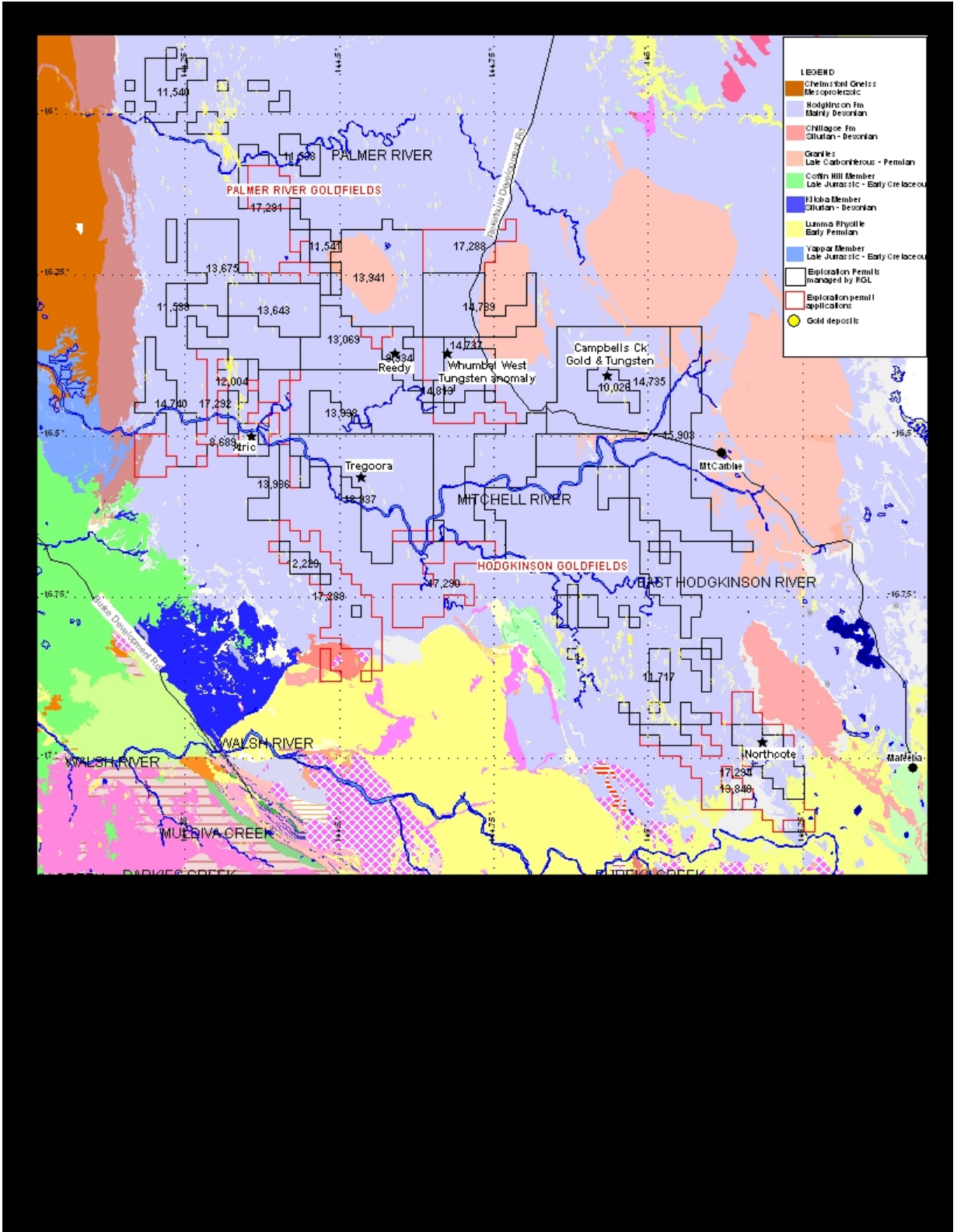


Figure 1 - The Hodgkinson Basin Tenements

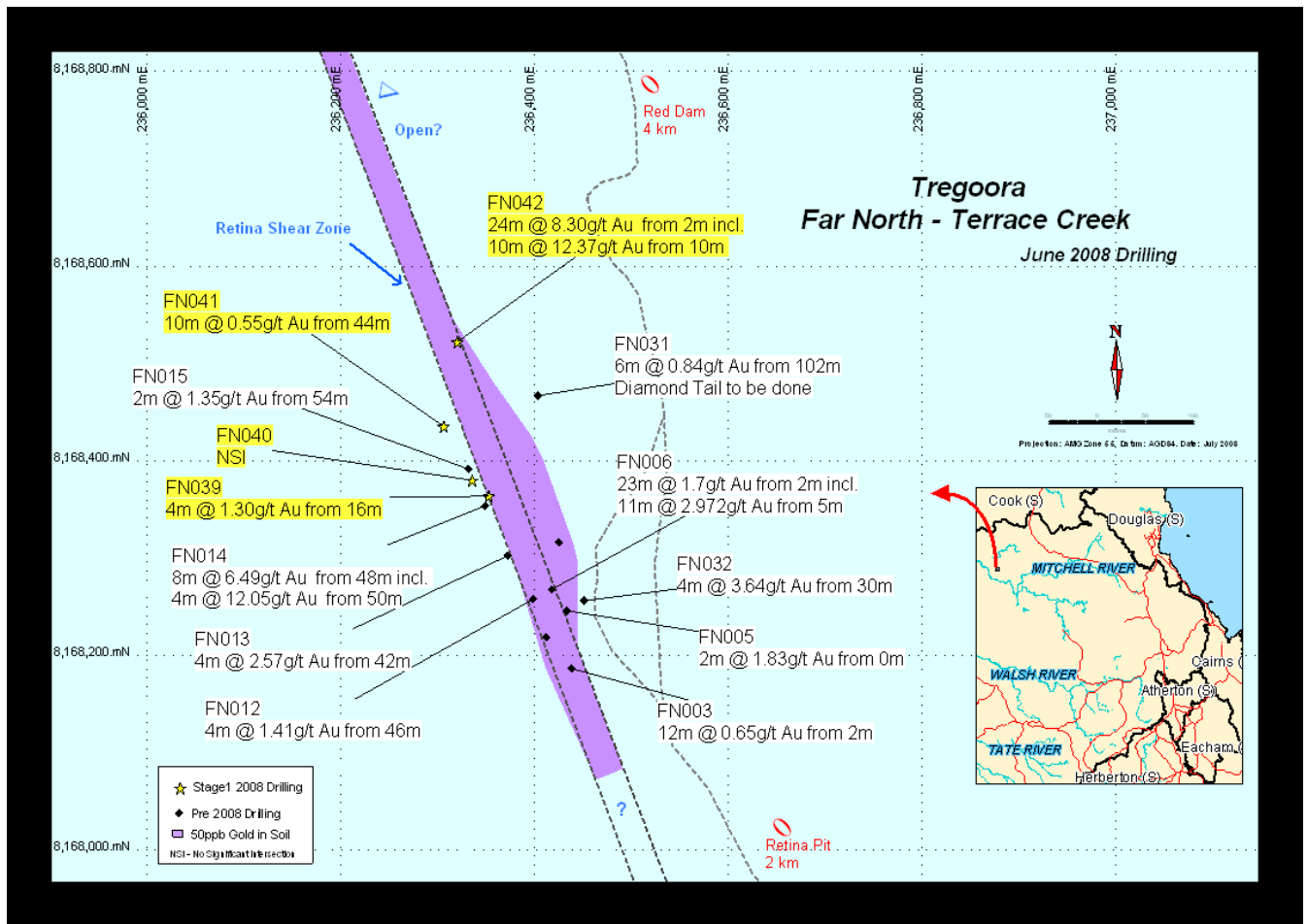


Figure 2 - Drillhole Locations at the Terrace Creek Prospect at Far North Tregoora

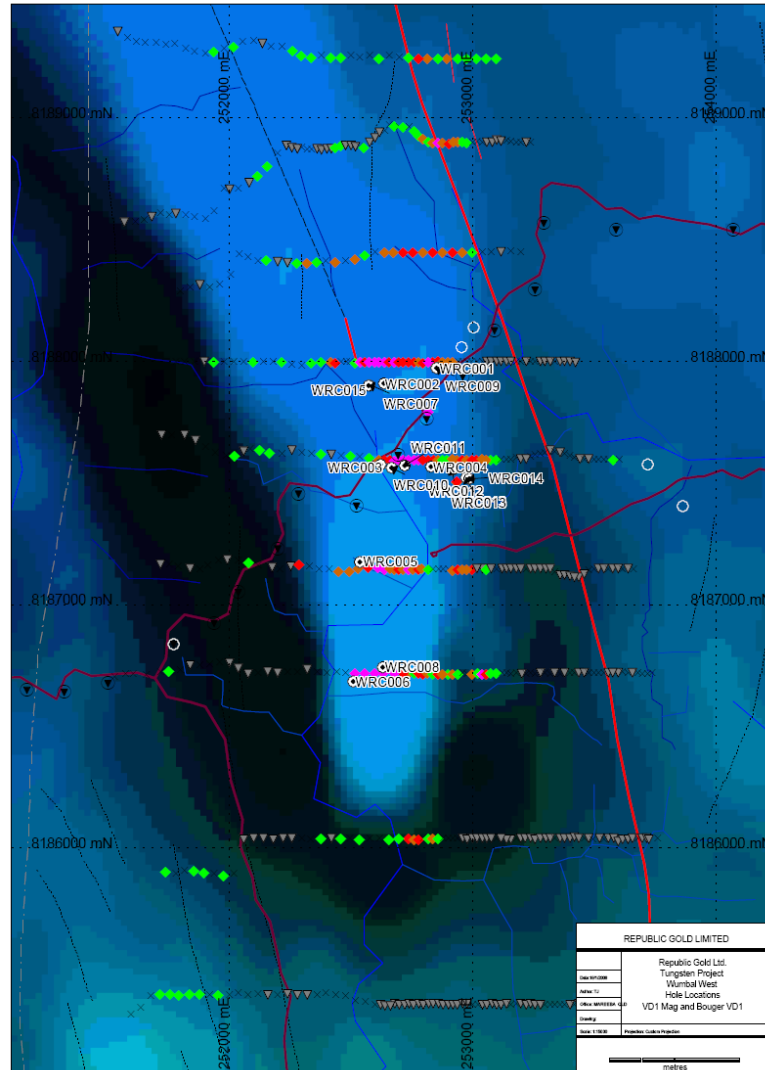


Figure 3 – Composite Plan Showing Whumbal West Drillhole Locations Overlaid on the Geochemical Anomaly (Lines with Diamonds and Triangles) With The First Derivative of the Aeromagnetic and Gravity Signature Showing Correlation of All Features and Indicating the Proposed Synclinal Structure (Dark U Shape).





Figure 5 - Location Map For Amayapampa



Figure 6 - The Amayapampa Camp in the Foreground & Deposit on the Hill Behind the Camp



**Figure 7 - Old Workings on the Surface of the Amayapampa Deposit**



Figure 8 - The Callabonna Tenements in the Callabonna Sub-Basin Showing the Beverley and Beverley Four Mile Uranium Projects 65 Kilometres to the South-West and the Honeycomb Uranium Project 170 Kilometres to the South

## APPENDIX 5B

### .1 MINING EXPLORATION ENTITY QUARTERLY REPORT

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**Republic Gold Limited**

ABN

**86 106 399 311**

Quarter ended ("current quarter")

**30 June 2008**

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	0	0
1.2 Payments for		
(a) exploration and evaluation	(869)	(3,121)
(b) development		0
(c) production		0
(d) administration	(509)	(1,651)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	109	297
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other (provide details if material)	0	0
<b>GST (Paid) Refund</b>	<b>8</b>	<b>154</b>
<b>Net Operating Cash Flows</b>	<b>(1,261)</b>	<b>(4,321)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	(700)	(700)
(b) equity investments	0	(194)
(c) other fixed assets	0	0
1.9 Proceeds from sale of:	0	
(a) prospects		0
(b) equity investments	0	0
(c) other fixed assets	0	0
1.10 Loans to other entities	(744)	(744)
1.11 Loans repaid by other entities	0	0
1.12 Other (provide details if material)	0	0
<b>Net investing cash flows</b>	<b>(1,444)</b>	<b>(1,638)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,705)</b>	<b>(5,959)</b>

1.13	<b>Total operating and investing cash flows (brought forward)</b>	<b>(2,705)</b>	<b>(5,959)</b>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc. (net underwriting fees)	395	10,599
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	376	376
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (provide details if material)	(4)	(1,459)
	<b>Net financing cash flows</b>	<b>768</b>	<b>9,517</b>
	<b>Net increase (decrease) in cash held</b>	<b>(1,937)</b>	<b>3,558</b>
1.20	Cash at beginning of quarter/year to date	9,239	3,744
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	<b>Cash at end of quarter</b>	<b>7,302</b>	<b>7,302</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	153
1.24	Aggregate amount of loans to the parties included in item 1.10	0
1.25	Explanation necessary for an understanding of the transactions	

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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	376
3.2	Credit standby arrangements	0

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,500
4.2 Development	0
<b>Total</b>	<b>0</b>

### Reconciliation Of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	218	1,239
5.2 Deposits at call	7,084	8,000
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
<b>Total: cash at end of quarter (item 1.22)</b>	<b>7,302</b>	<b>9,239</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference <sup>+</sup> securities (description)	—	—	—	—
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <sup>+</sup> Ordinary securities	707,106,356	707,106,356		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	10,257,384	10,257,384	2.5 cents	2.5 cents
7.5 <sup>+</sup> Convertible debt securities (description)	—	—	—	—

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	—	—	—	—
7.7	Options ( <i>description and conversion factor</i> )	68,740,388 3,000,000 26,000,000 10,650,000	68,740,388	Exercise price 2.5 cents 20 cents 6.25 cents 3.75 cents	Expiry date 30/11/2008 30/06/2009 10/10/2010 17/10/2010
7.8	Issued during quarter	—	—	—	—
7.9	Exercised during quarter	10,257,384	10,257,384	2.5 cents	
7.10	Expired during quarter	—	—	—	—
7.11	Debentures ( <i>totals only</i> )	—	—		
7.12	Unsecured notes ( <i>totals only</i> )	—	—		

### COMPLIANCE STATEMENT

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.



Sign here:  
(Director)

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Date: 31 July 2008

Print name: John P Kelly

### NOTES

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, AASB 1022: *Accounting for Extractive Industries* and AASB 1026: *Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.