

REPUBLIC GOLD LIMITED

ABN 86 106 399 311



REPUBLIC**Gold**

2014 ANNUAL REPORT

CORPORATE DIRECTORY

Directors

Raymond Shorrocks

Chairman

Mark Gillie

CEO and Managing Director

Peter Alan Wicks

Non Executive Director

Dr David King

Non-Executive Director

Mr David Hannon

Non-Executive Director

Registered Office

Level 3, 70 Pitt Street

Sydney NSW 2001

Telephone:+61 2 9220 9500

Auditor

PKF Lawler Melbourne

Level 12, 440 Collins Street

Melbourne VIC 3000

ASX Code

Ordinary Shares – RAU

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Directors' Report

Your Directors present their report on the Company for the financial year ended 30 June 2014.

Directors

The names and details of directors in office at any time during or since the end of the financial year are:

Chairman

Mr Ray Shorrocks has over 20 years' experience in corporate finance and has advised a diverse range of mining companies during his career at Patersons Securities Limited, one of Australia's largest full service stockbroking and financial services firms. He has been instrumental in managing and structuring equity capital raisings as well as having advised extensively in the area of mergers and acquisitions. Mr Shorrocks is a director of a number of private companies.

Managing Director

Mr Mark Gillie is an experienced mining executive with over 25 years experience in the mining and exploration industries including over 20 years in Africa. He has extensive experience in all aspects of the industry including operational management, technical planning, production, geological modeling, mineral exploration and commercial optimisation. He has held executive positions in listed and unlisted gold miners and consulted to numerous others. Mark also has a solid understanding of corporate and mining law and is committed to sound corporate governance and investor transparency. Mark's recent positions include Chief Executive Officer of Signature Metals Ltd (ASX:SBL), Managing Director of Owerre Mines Limited and Director of African Operations for Liongold Corp (SGX:A78). Mark is a founding shareholder and Director of African Stellar Holdings which is an exploration and resource development and advisory group.

Non – Executive Director

Mr Peter Wicks is a Chartered Accountant and a Fellow of the Australian Institute of Chartered Accountants. Mr Wicks has had extensive experience in the natural resources sector and more recently as a property developer. Mr Wicks was a long-term finance director for a large ASX listed company operating in the oil and gas sector during the 1980's and more recently was the independent director of Drillsearch until September 2009. He was also a director of several oil & gas companies listed on the Toronto Stock Exchange during the 1990's. He has been both an executive and non-executive director of Australian domiciled mineral companies, including Perseverance Corporation Limited where he was a non-executive director from 1994 to 1998.

Non – Executive Director

Dr David King is an experienced natural resources executive, with over 30 years' experience in the precious metals and energy sectors. He is a former Managing Director of North Flinders Mines Limited; was founder, executive director and non-executive director of Eastern Star Gas Ltd and is Chairman of Robust Resources Ltd. Dr King holds degrees in Physics/Mathematics, Geophysics and a Doctorate in Seismology from the Australian National University.

Mr David Hannon

Mr Hannon is currently a director of Atlas Iron Ltd, an ASX listed iron ore production company that is listed on the ASX. David commenced his commercial career as a stockbroker in 1985 working with several firms, including Jackson Securities and BT Securities. He later became a joint partner of a private investment bank specialising in venture capital with a focus on the mining sector.

In 2001 David became a director of PSG Afro Pacific Limited, a subsidiary of a listed South African Bank which also concentrated on the mining sector. Since leaving PSG Afro Pacific Limited, David has operated a private investment bank, Chifley Investor Group Pty Limited and over the last decade has been a director of many private investment companies specialising in venture capital, property investments and public company investments.

Directors' Meetings

During the year the Company held 12 meetings of directors. The attendance at meetings of the Board was:

Director	Number of meetings held while a director	Number of meetings attended
Mark John Gillie	12	12
David Ross Hannon (19 Dec 2013)	6	5
David William King	12	9
Raymond John Shorrocks	12	12
Peter Alan Wicks	12	11

The full Board fulfilled the roles of the Audit Risk & Compliance, Nominations, and Remuneration Committees during the year.

Company Secretary

Mr Nick Geddes continued in the role of Company Secretary during the year. Mr Geddes is the principal of Australian Company Secretaries, a company secretarial practice that he formed in 1993. Mr Geddes is a past

President and Board Chairman of Chartered Secretaries Australia. His previous experience includes investment banking and development and venture capital in Europe, Africa the Middle East and Asia. He is a Chartered Accountant (Fellow of Institute of Chartered Accountants in England & Wales) and Fellow of the Institute of Chartered Secretaries (Chartered Secretaries Australia).

Operating results

The loss of the Group for the financial year amounted to \$2,577,838 (2013 - \$5,560,706 loss).

Review of Operations and Developments

Overview

The past twelve months to 30 June 2014 has been a very interesting period for your Board. To begin, our operations in Mozambique saw drilling results which were not positively accepted by the equity market. The drilling results while not unfavourable failed to attract investment, as our tenements lack critical mass.

This was combined with a continuing poorly performing resources sector. It was decided to reward shareholders with a free bonus option on a 1 for 1 basis exercisable on or before 30 October 2013, at 1c per share. We managed to underwrite the issue however less than 10% of shareholders took up the offer. It was also the intention to offer another option to shareholders but due to poor market conditions and shareholder interest the Board of Directors made a decision to cancel the second option issue. The underwritten issue raised \$1.98m.

Management then continued with further exploration efforts but unfortunately the good drill results again failed to ignite investor interest and your Board undertook a strategic review. The review looked at market conditions, drilling results and resource potential under our control including the resources that would be required to fully prove up the respective tenements.

In the fourth quarter it was decided that we would cease operations as an explorer for gold in Mozambique. On 11 June 2014 the Board announced the divestment of its Mozambique assets to Auroch Minerals NL for shares and options in Auroch. This divestment will be subject to shareholder voting on 29 September 2014.

Post 30 June

As a result of the divestment of our African assets our Managing Director, Mr Mark Gillie, resigned. Mark remains

on the Board and has been assisting with the transition of the assets and management to Auroch.

The Board has reviewed a number of opportunities for investment post the planned sale of the African operations. The Board expects to be able to announce a transaction imminently and this will be done under the disclosure requirements of the ASX.

Cash Position

As at 30 June 2014 the Company's cash position was \$1.99m

Financial Position

Please see accompanying Audited Accounts.

Environmental Issues

There were no environmental issues or concerns with operations.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Indemnification of Officer or Auditor

The Company has agreed to indemnify and keep indemnified the directors against all liabilities and all legal expenses incurred by each as a director of the Company, and an insurance policy has been taken out for this purpose, at a premium cost of \$33k.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any other person who is or has been an officer or auditor of the Company.

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related body corporate against a liability incurred by the auditor.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the financial year.

Services Provided by the Auditor

The following is the nature of non-audit services provided to the Company or the Group by the audit firm:

- Ad hoc accounting advisory services.

In view of the size of the Group and the nature of its activities, the Board has considered that establishing a formally constituted audit committee would contribute little to the effective management of the Group.

Accordingly audit matters are reviewed by the Board as a whole and approved by resolution of the Board (with abstentions from relevant directors if there is any conflict of interest).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2014 is included immediately after this report.

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director of Republic Gold Limited. As Republic Gold Limited is a small company, the remuneration arrangements are as simple as possible.

Remuneration Policy

The remuneration policy of Republic Gold Limited has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component and allowing specific long-term incentives based on key performance areas affecting the Company's financial results. The Board of Republic Gold Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company, as well as to create goal congruence between directors and shareholders. To date no long-term incentives have been offered to any Director except for the ability to provide executive options.

The Board's policy for determining the nature and amount of remuneration for Board members of Republic Gold Limited is as follows:

The remuneration policy was developed by the Board after Board members reviewed the remuneration of like positions in other small-capitalisation gold exploration companies. All Directors receive either a base salary or a fee (which is based on experience and commercial industry rates) and superannuation. The Board reviews executive packages annually by reference to the Company's performance, directors' performance and comparable information from industry sectors and other listed companies in the small-capitalisation resource exploration sector.

The performance of directors is measured against criteria agreed with each director and is based predominantly on any increase in shareholders' value. Any bonuses and incentives must be linked to predetermined performance criteria. The Board will approve all incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Any superannuation guarantee contribution is paid at the rate required by the government and individuals can choose to sacrifice part of their salary to increase payments towards superannuation. There are no retirement benefits paid. All remuneration paid to Directors is valued at the cost to the Company and expensed. Should any shares be provided to Directors and executives they will be valued as the difference between the market price of those shares and the amount paid by the Director or executive. Options will be valued using the Black Scholes methodology.

The Board policy is to remunerate non-executive Directors at market rates of comparable companies for time, commitment and responsibilities and to determine payments to the non-executive Directors and review their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

Performance Based Remuneration

Currently, no executive Directors' remuneration package has a performance-based component.

Remuneration

Directors are paid an annual fee and additional fees for work done outside the normal range of Directors' duties.

All Directors are reimbursed expenses incurred in their roles with the Company after the approval of these expenses by all other Directors.

The remuneration for each Director of Republic Gold Limited during the year was as set out in the table on the following page. The Board considered one director to be an executive, and their remuneration is contained in the table.

Options Issued as Part of Remuneration for the year ended 30 June 2014

There were no options allocated as part of remuneration to directors or executives during the financial year.

Employment Contracts of Directors

The Company formalises contracts of employment with executive management e.g. Managing Director.

The Company entered into an employment contract with the Managing Director, with effect from the date of his appointment on 25 June 2013. The period of employment is ongoing, subject to the terms of the agreement, such that either party may terminate the employment by giving the other one month's written notice of termination (or on the

Company's part, any greater period of notice required by statute). The remuneration aspects of the contract aim to reward him with a remuneration package of \$240,000 per annum, a level which is commensurate with his position and responsibilities within the Company and which:

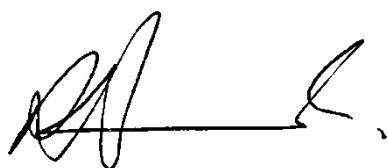
- aligns the interests of the Managing Director with those of the shareholders; and
- ensures total remuneration is competitive by market standards.

Directors' and Executives Remuneration

		Short term	Post-employment	Total
Director	Year	Salary / Fees	Superannuation	
R Shorrocks	2014	61,251	4,509	66,760
	2013	50,000	-	50,000
P Wicks	2014	40,000	-	40,000
	2013	40,000	-	40,000
D King	2014	37,154	2,846	40,000
	2013	40,000	-	40,000
D Hannon	2014	12,586	1,164	13,750
	2013	-	-	-
Executive				
M Gillie	2014	240,000	-	240,000
	2013	50,000*	-	50,000
R Comerford	2014	-	-	-
	2013	103,609	5,528	109,137
Total	2014	390,991	8,519	399,510
	2013	283,609	5,528	289,137

* the fees paid to Mr Gillie include amounts paid prior to his being appointed as Managing Director of the Company.

Signed in accordance with a resolution of Directors



Raymond Shorrocks

Chairman

Dated this 30th day of September 2014

Auditor's Independence Declaration to the Directors of Republic Gold Limited

In relation to our audit of the financial report of Republic Gold Limited for the financial year ended 30 June 2014 to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



PKF Lawler Melbourne Audit & Assurance



Steven Bradby

Partner

Melbourne, 26 September 2014

PKF Lawler Melbourne
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CORPORATE GOVERNANCE

1. Introduction

The directors of Republic Gold Limited (“the Company”) are committed to high standards of corporate governance and this statement outlines the main corporate governance practices in place throughout the financial year. Having regard to the size of the company and the nature of its enterprise, it is considered that the Company complies as far as possible with the spirit and intentions of the ASX Corporate Governance Council’s ‘Corporate Governance Principles and Recommendations’ – 2nd Edition with 2010 amendments.

2. Board of Directors

The Board of Directors of the Company is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

As the Board acts on behalf of shareholders, it seeks to identify the expectations of shareholders, as well as other ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuing arrangements are in place to adequately manage those risks.

The primary responsibilities of the Board include:

- formulation and approval of the strategic direction, objectives and goals of the Company;
- monitoring the operational and financial position and performance of the Company, including approval of the Company’s financial statements;
- requiring that financial and other reporting mechanisms are put in place which result in adequate, accurate and timely information being provided to the Board and the Company’s shareholders and the financial market as a whole being fully informed of all material developments relating to the Company;
- ensuring that adequate internal control systems and procedures exists and that compliance with these systems and procedures is maintained;
- the identification of significant business risks and ensuring that such risks are adequately managed;
- appointment of the Managing Director and all direct executive reports, the review of their performance and remuneration;
- the establishment and maintenance of appropriate ethical standards; and
- reviewing and, to the extent necessary, amending the Board and Committee Charters regularly.

Due to its size and structure, the Board of Directors is able to meet regularly throughout the year for management and formal Board meetings, as well as being in frequent communication by way of telephone to ensure compliance with ASX Listing Rule disclosure requirements.

The responsibility for the operation and administration of the Company is carried out by executive management eg a managing director. Support is provided to executive management by senior professional staff and where necessary by a technical director. The Board ensures that the executive team is suitably qualified and experienced to discharge their responsibilities, and assesses on an ongoing basis the performance of the management team, to ensure that management’s objectives and activities are aligned with the expectations and risks identified by the Board.

At the date of this report, the current directors of the Company are as follows:

Independent

Mr Peter Wicks	Non-Executive Director
Dr David King	Non-Executive Director
Mr David Hannon	Non-Executive Director

Not independent

Mr Raymond Shorrocks

Executive Chairman

Mr Mark Gillie

Non-Executive Director (Managing Director and CEO until 31 July 2014)

For information in respect to each director, refer to the Directors' Report.

3. Independent Directors

Under ASX guidelines there are three members of the current Board that are considered to be independent, namely the Non-Executive Directors, Mr Peter Wicks, Dr David King and Mr David Hannon. Under the ASX guidelines, the other directors are not considered to be independent. The Board is considered to be appropriate for the size of the Company and the nature of its operations and is a cost effective structure for managing the Company.

4. Board Composition

When the need for a new director is identified, selection is based on the skills and experience of prospective directors, having regard to the present and future needs of the Company. Any director so appointed must then stand for election at the next meeting of shareholders of the Company.

5. Term of Appointment as a Director

The constitution of the Company provides that a director other than the Managing Director may not retain office for more than three calendar years or beyond the third annual general meeting following his or her election, whichever is longer, without submitting for re-election. One third of the directors must retire each year and are eligible for re-election. The directors who retire by rotation at each Annual General Meeting are those with the longest length of time in office since their appointment or last election.

6. Audit, Risk Management and Internal Controls

The Board acknowledges that it does not fully comply with the ASX's recommendation on Principle 4, but in view of the size of the Company and the nature of its activities, the Board considers that establishing a separate audit and risk management committee would contribute little to the effective management of the Company.

Accordingly, the Board as a whole reviews audit and risk management matters and accepts the responsibility to ensure truthful and factual presentation of the Company's financial position.

The Company uses the services of an independent audit firm that has only a small number of partners. The Board, to a certain extent, relies on the auditors to ensure compliance with relevant accounting standards and gives full and complete co-operation to its auditors without absolving itself of its responsibility. Where appropriate the Board is able to engage independent experts or professional advisors to assist with the identification and/or management of any key risk areas identified.

Each year the Chairman provides a statement to the Board in writing in respect to the integrity of the financial statements, that they are founded on a sound system of risk management and internal compliance and control and that the Company's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

Management has established and implemented a risk management and internal control system for identifying, assessing, monitoring and managing strategic, operational, financial reporting and compliance risks for the Company. The system is based upon policies, guidelines, delegations, industry practices and reporting as well as the selection and training of qualified personnel. The Board believes the current framework to be suitable for the Company's current operations and stage of development. Whilst priority is given to the management of risk in the Company, investors are reminded that Republic Gold is engaged in mineral exploration and development activities which by their very nature are high risk.

7. Board Committees

Given the size and stage of development of the Company, the board believes that establishing separate Nomination and Remuneration Committees would contribute little to the Company's effective management. Accordingly the nomination of new directors and the setting, or review, of remuneration levels of directors and

senior executives are reviewed by the Board as a whole and approved by resolution of the Board (with abstentions from relevant directors where there is a conflict of interest). Where the Board considers that particular expertise or information is required, which is not available from within their number, appropriate external advice may be taken and reviewed prior to a final decision being made by the Board.

8. Remuneration and Performance

The Board as a whole deals with the remuneration of directors and key executives of the Company and a separate remuneration committee was deemed not to be required at this stage. The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders. Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

9. Ethical standards

All directors, management and employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. The following policies or obligations have been established to guide directors, management and employees in carrying out their duties and responsibilities to the Company, shareholders, suppliers, other stakeholders and the wider community.

- Continuous Disclosure
- Code of Conduct
- Share Trading
- Board Charter

The policies of the Company will be continually reviewed in accordance with the standards required of the Company by the Directors, the ASX, ASIC and other stakeholders to ensure that appropriate governance standards are maintained.

10. Conflict of Interest

The directors must keep the Company informed, on an on-going basis, of any interest that could potentially conflict with those of the Company. Where the Board believes a significant conflict exists, the director concerned does not receive the relevant Board papers and is not present at the meeting whilst the item is considered.

11. Independent Professional Advice

Each director has the right of access to all relevant Company information and to the Company's executives. Directors have the right, in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. Prior approval of the Chairman is required, which will not be unreasonably withheld.

12. Communication to Market & Shareholders

The Board of Directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the directors and the Company. Information is communicated to shareholders and the market through:

- the Annual Report which is made available to all shareholders;
- other periodic reports which are lodged with ASX and available for shareholder scrutiny;
- other announcements made in accordance with ASX Listing Rules;
- special purpose information memoranda issued to shareholders as appropriate;
- the Annual General Meeting and other meetings called to obtain approval for Board action as appropriate; and
- the Company's website.

13. Share Trading

Share trading by directors, management or employees is not permitted at any time during black-out periods or whilst in the possession of price sensitive information or inside information as per the Corporations Act 2001. Prior to any director trading in the Company's securities, that director must inform the other directors of his decision to trade.

14. Diversity Policy

The Company does not currently have a Diversity Policy. The Board will seek to develop a Diversity Policy over the coming year, which can then be used as a guide in identifying new directors, senior executives and employees.

15. External Auditors

The external auditor is PKF Lawler Melbourne.

The external auditor attends the Annual General Meeting and part of the agenda is the tabling of the financial statements and inviting shareholders to ask the directors or the auditor any questions with regard to the financial statements and the audit report.

REPUBLIC GOLD LIMITED

ABN 86 106 399 311

**Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2014**

	Note	2014 \$	2013 \$
Revenue	3	86,828	29,245
Receivables impairments		(50,985)	-
Employee benefits expense		(210,537)	(298,045)
Consultant & contractor expenses		(55,000)	(359,115)
Travel expenses		(21,323)	(104,348)
Depreciation expenses	4	(2,400)	(2,389)
Interest expense	4	(4,044)	(1,917)
Other expenses from ordinary activities		(498,760)	(513,488)
Total expenses	4	(843,049)	(1,279,302)
Loss from continuing operations before income tax expense		(756,221)	(1,250,057)
Income tax expense	5	-	-
Loss from continuing operations after income tax expense		(756,221)	(1,250,057)
Discontinued operations			
Loss from discontinued operations after income tax expense	7	(1,821,617)	(4,310,649)
Net loss for the year		(2,577,838)	(5,560,706)
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Foreign currency translation		(22,456)	249,404
Total comprehensive income for the year		(2,600,294)	(5,311,302)
Earnings (cents) per share - continuing operations:	14		
Basic loss per share (cents)		(0.24)	(0.75)
Diluted loss per share (cents)		(0.24)	(0.75)
Earnings (cents) per share - net loss for the year:	14		
Basic loss per share (cents)		(0.80)	(3.32)
Diluted loss per share (cents)		(0.80)	(3.32)

The accompanying notes form part of these financial statements

REPUBLIC GOLD LIMITED

ABN 86 106 399 311

Consolidated Statement of Financial Position

As at 30 June 2014

		2014	2013
	Note	\$	\$
CURRENT ASSETS			
Cash & cash equivalents	15	1,987,049	307,381
Trade and other receivables	8	110,545	119,514
Other current financial assets	9	-	2,404,285
		2,097,594	2,831,180
Assets of disposal group classified as held for sale	7	310,000	-
Total Current Assets		2,407,594	2,831,180
NON-CURRENT ASSETS			
Property, plant and equipment	10	1,438	3,838
Total Non-Current Assets		1,438	3,838
TOTAL ASSETS		2,409,032	2,835,018
CURRENT LIABILITIES			
Trade and other payables		163,082	195,939
Liabilities of disposal group classified as held for sale	7	-	-
TOTAL LIABILITIES		163,082	195,939
NET ASSETS		2,245,950	2,639,079
EQUITY			
Issued capital	11	58,357,495	56,150,330
Accumulated losses		(56,937,493)	(54,359,655)
Reserves	12	825,948	848,404
TOTAL EQUITY		2,245,950	2,639,079

The accompanying notes form part of these financial statements

REPUBLIC GOLD LIMITED

ABN 86 106 399 311

Consolidated Statement of Changes in Equity
For the year ended 30 June 2014

	Note	Issued Capital Ordinary Shares \$	Accumulated Losses \$	Reserves \$	Total \$
Balance at 30 June 2012	11,12	56,150,330	(48,798,949)	599,000	7,950,381
Net Loss		-	(5,560,706)	-	(5,560,706)
Adjustments from translation of foreign controlled entities	12	-	-	249,404	249,404
Balance at 30 June 2013	11,12	56,150,330	(54,359,655)	848,404	2,639,079
Shares issued during the year	11	2,207,165	-	-	2,207,165
Net Loss		-	(2,577,838)	-	(2,577,838)
Adjustments from translation of foreign controlled entities	12	-	-	(22,456)	(22,456)
Balance at 30 June 2014	11,12	58,357,495	(56,937,493)	825,948	2,245,950

The accompanying notes form part of these financial statements

REPUBLIC GOLD LIMITED

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Consolidated Statement of Cash Flows

For the year ended 30 June 2014

		2014	2013
	Note	\$	\$
Cash Flow from Operating Activities			
Interest received		43,267	17,019
Receipts from grants and other sources		-	12,226
Interest paid		(4,044)	(1,917)
Payments to suppliers and employees		(1,495,362)	(2,800,845)
Net cash used in operating activities	15(b)	(1,456,139)	(2,773,517)
Cash Flow from Investing Activities			
Cash acquired on acquisition of Mozambique exploration asset	6	55,555	-
Proceeds on disposal of quoted equity shares		2,254,523	-
Investment in quoted equity shares		(108,361)	-
Proceeds from sale of interest in Vista Gold (Antigua) Corp, including element initially advanced as borrowings		-	2,938,027
Advance of loan funds and cash component paid on investment in Mozambique exploration asset		(276,417)	(301,684)
Payments for exploration activities		(485,228)	-
Net cash used in investing activities		1,440,072	2,636,343
Cash Flow from Financing Activities			
Net proceeds from share issue		1,707,165	-
Net cash provided by financing activities		1,707,165	-
Net increase (decrease) in cash held		1,691,098	(137,174)
Net foreign exchange differences		-	-
Cash at beginning of financial year	15(a)	307,381	444,555
Cash at end of financial year	15(a)	1,998,479	307,381

The accompanying notes form part of these financial statements

REPUBLIC GOLD LIMITED**ABN 86 106 399 311****Notes to the Financial Statements for the Year Ended 30 June 2014****Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is for Republic Gold Limited and controlled entities ('Consolidated Group' or 'Group'). The parent entity, Republic Gold Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of the Company is located at Level 3, 70 Pitt Street, Sydney NSW 2000.

The financial report for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the directors on 30 September 2014.

a. Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial report has been prepared on an accruals basis and on the basis of historical cost, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial report is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

The financial report is prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

The Group recorded a loss of \$2,577,838 for the year (2013: \$5,560,706). The current loss includes the concluded impact of discontinued operations, and reflects continuing costs of administering the Group, now significantly reduced in size.

The Company secured a fully underwritten subscription of capital as a result of the exercise of outstanding options during the year, raising cash reserves. The Directors' strategic review prior to the year-end determined that, subject to shareholder approval the Group would cease operating as an explorer in Mozambique, and divest its controlled entity. The Directors will remain prudent in their assessment of alternative acquisition opportunities, mindful of the state of the capital markets, capital required for any project and the nature of the Group's assets. Any investment outcome will be negotiated on the basis that it be funded by the issue of the Company's shares.

b. New/Amended Accounting Standards and Interpretations**(i) Changes in accounting policy and disclosures**

The accounting policies adopted are consistent with those of the previous financial year other than as noted below.

There are a number of new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), which are applicable for reporting periods beginning on or after 1 July 2013. The Group has adopted all of the mandatory new and amended pronouncements issued that are relevant to its operations and that are effective for the current reporting period. The impact on the consolidated financial statements for the year as a result of adoption of those new and amended pronouncements is described below:

b. New/Amended Accounting Standards and Interpretations (continued)

(i) Changes in accounting policy and disclosures (continued)

AASB 10 Consolidated Financial Statements

AASB 10 establishes a new control model that applies to all entities, replacing parts of AASB 127 Consolidated and Separate Financial Statements. The new model broadens the situations when an entity is considered to be controlled by another entity and provides guidance for applying the model to specific situations, including when acting as a manager, the impact of potential voting rights, and when holding less than a majority of voting rights.

Various other Standards are consequentially revised through AASB 2011-7. The current business combination has been accounted in accordance with the requirements of AASB 10 (refer Note 6 for a description of the acquisition).

AASB 12 Disclosure of Interests in Other Entities

AASB 12 governs the disclosures relating to an entity's interests in subsidiaries, joint arrangements, and associates, including the judgements made by management to determine whether control exists.

The adoption of AASB 12 has had no material impact on the financial statements of the Group.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for fair value measurements and disclosure thereof, and expands the disclosure requirements for assets or liabilities carried at fair value to include information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. The scope of the standard is broad, and it applies to both financial instruments and non-financial instrument items for which other standards require or permit fair value measurement and disclosure, except for share-based payment transactions within the scope of AASB 2 Share-based Payment and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 Inventories or value in use in AASB 136 Impairment of Assets.

The adoption of AASB 13 has had no material impact on the financial statements of the Group.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

The amendment removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.

(ii) Early adoption of standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013.

(iii) Australian Accounting Standards and Interpretations issued but not yet effective

Various Standards and Interpretations have been issued or amended but which are not yet effective. The Group has not adopted any of those standards in the preparation of the financial statements at reporting date. The Group believes that the standards of most significant future impact will be those as set out below.

AASB 9 Financial Instruments, and associated relevant amending standards

AASB 9 includes requirements for the classification and measurement of financial assets and amendments to the accounting for financial liabilities.

AASB 9 introduces a revised basis of financial asset classification, changes the accounting treatment in respect of equity investments not held for trading, eliminates potential inconsistencies in the treatment of certain financial assets, and clarifies the measurement of financial liabilities under the fair value option.

Various other Standards have been consequentially revised. The Standards will be applied by the Group with effect from 1 July 2017, prior to which point the impacts will be more readily determinable.

c. Principles of consolidation

Controlled entities

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

As at the reporting date the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Group during the year, their respective operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the Group, including unrealised profits and losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Investments in subsidiaries are accounted at cost in the individual financial statements of the parent, less any impairment charges.

d. Business combinations

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted by applying the purchase method.

The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and probable contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and probable contingent liabilities recognised. If the fair value of the acquirer's interest is greater than probable cost, under *AASB3 Business Combinations* the surplus should be immediately recognised in profit and loss.

e. Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the group's chief operating decision makers) in assessing performance and in determining the allocation of resources.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. An operating segment's operating results are reviewed regularly by the Board to make decisions about resources to be allocated to the segment and assess its performance, for which discrete financial information is available.

Segment results that are reported for the purpose of management's decisions include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate office assets, head office expenses, and any income tax related balances.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

f. Foreign currency translation

Functional and presentation currency

The functional currency of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

f. Foreign currency translation (continued)

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when the fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity or a qualifying cash flow or investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period: and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

g. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of two months or less, and bank overdrafts.

h. Financial instruments

Recognition

Financial instruments, incorporating financial assets and financial liabilities, are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Current receivables are generally expected to be settled within 60 days. Receivables are recognised and carried at original invoice amount less provision for any uncollectible debts. An estimate for impaired debtors is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Held-to-maturity investments

These investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the group's intention to hold these investments to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as such or that are not classified in any other category. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

h. Financial instruments (continued)

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Due to their short term nature trade and other payables are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 to 60 days of recognition.

Fair value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models. Unless otherwise disclosed in the notes to the financial statements, the carrying amount of the Group's financial instruments approximates their fair values.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

i. Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction instead of use. They are not depreciated or amortised. For an asset or disposal group to be classified as held for sale, it must be available for immediate sale in its present condition and its sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately on the face of the statement of comprehensive income and the assets and liabilities are presented separately on the face of the statement of financial position.

j. Property, plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated over their useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each current class of depreciable assets are:

Furniture and equipment 7.5 – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

k. Intangibles

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

l. Exploration expenditure

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest. These costs are carried forward where they are expected to be recouped through sale or successful development and exploitation of the area of interest or where activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

The ultimate recoupment of costs carried forward in respect of interests still in the exploration or evaluation phases is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the year the decision is made. Each area of interest is also reviewed annually and accumulated costs written off to the extent that they will not be recoverable in the future.

m. Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

n. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

o. Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to settle within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year are disclosed in future dollars and have not been measured at the present value of the estimated future cash outflows to be made for those benefits.

p. Contributed equity

Ordinary shares are classified as equity and recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

q. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

r. Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted as at reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on tax rates enacted or substantially enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

REPUBLIC GOLD LIMITED**ABN 86 106 399 311****Notes to the Financial Statements for the Year Ended 30 June 2014****r. Income tax (continued)**

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future tax profits will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

s. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

t. Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

u. Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally.

Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

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Notes to the Financial Statements for the Year Ended 30 June 2014

Note 3: REVENUE

	2014 \$	2013 \$
- Profit on disposal of securities	43,561	-
- Interest income – other	43,267	17,019
- Other income	-	12,226
	86,828	29,245

Note 4: LOSS FROM ORDINARY ACTIVITIES

	2014 \$	2013 \$
Loss from ordinary activities has been determined after the following expenses:		
Impairment of receivables	50,985	-
Depreciation of non-current assets		
- furniture and equipment	2,400	2,389
Interest expense	4,044	1,917
Remuneration of the auditor of the Company for:		
- auditing or reviewing the financial reports	28,000	29,000
- other non-assurance services	4,000	5,000
	32,000	34,000

Note 5: INCOME TAX EXPENSE

	2014 \$	2013 \$
(a) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax expense/(benefit) on loss from ordinary activities before income tax at 30% (2013: 30%)	(773,351)	(1,668,212)
Adjust for tax effect of:		
- foreign exchange positions	-	183,555
- non-deductible expenses	20,000	(25,332)
- net movement in provisions	(2,747)	(22,399)
- non-deductible impairments	546,485	1,293,195
Total tax losses not brought to account	(209,613)	(239,193)
Tax effect of unused tax losses of the parent company not recognised and for which no deferred tax asset has been recognised	8,136,189	7,926,575

The future income tax benefit attributable to these losses has not been brought to account as it is not considered more likely than not that they will be recovered. The potential future income tax benefits which may arise from these losses will only be realised if:

- The Group derives future assessable income of a nature and sufficient amount to enable the benefit of the losses to be realised;
- The Group continues to comply with the conditions of deductibility imposed by the law; and
- No changes in tax legislation adversely affect the Group in realising the benefit from the deduction for the losses.

Note 6: BUSINESS COMBINATION

On 15 April 2013 the Company entered a conditional Share Sale Agreement to acquire all of the issued capital of African Stellar Mozambique Limitada (ASMoz) from African Stellar Holdings Limited (ASHL) and two minor individual shareholders. Mr Mark Gillie, who was appointed Managing Director of the Company on 25 June 2013, is a director and major shareholder of ASHL. The transaction proceeded through the Company's wholly owned subsidiary, Republic East Africa Limited (a company incorporated in Hong Kong) with a small proportion of shares being held by the Company (0.01%) in order to abide by Mozambican regulatory requirements for the relevant company type.

The consideration of \$600,000 comprised \$100,000 cash and 25 million Republic Gold shares at \$0.02 per share. As at 30 June 2013 the transaction remained subject to the completion of various conditions precedent, including the effective transfer of tenements as agreed to ASMoz, and the gaining of all necessary approvals and consents of Government Ministries and Agencies in Mozambique, Hong Kong and Australia. These were substantively completed by 30 November 2013, and the Company has accounted for the business combination using the acquisition method as of that date.

REPUBLIC GOLD LIMITED**ABN 86 106 399 311****Notes to the Financial Statements for the Year Ended 30 June 2014****Note 6: BUSINESS COMBINATION (Continued)**

Upon entry into the Share Sale Agreement, the Company agreed to advance loan funding to assist ASMOz to meet capital expenditure and working capital needs. Up to the acquisition date, \$487,165 had been advanced under the agreement. No interest is payable on the loan.

The fair values of the identifiable assets and liabilities of ASMOz as at the date of acquisition were:

	2014
	\$
Assets	
Cash	55,555
Receivables	19,474
Plant and equipment	13,833
Exploration expenditure	417,991
	<u>506,853</u>
Liabilities	
Loans	(723,054)
Total identifiable net assets at fair value	(216,201)
Goodwill arising on acquisition, deemed as exploration rights acquired	816,201
Purchase consideration	<u>600,000</u>
Analysis of cash flows on acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	55,555
Cash advanced under the Loan Agreement (included in cash flows from investing activities)	(276,417)
Cash paid (during the previous financial year)	(100,000)
Net cash outflow	<u>(320,862)</u>

Note 7: DISCONTINUED OPERATIONS

	2014
	\$
Net assets of African Stellar Mozambique Limitada (comprising the Mozambican Exploration segment)	<u>310,000</u>

(a) Details of operations held for sale as at 30 June 2014

On 1 June 2014, the Company and Auroch Minerals NL (Auroch) entered into a Quota Sale and Purchase Agreement to dispose of the Company's interest in African Stellar Mozambique Limitada (ASMOz), conditional on various approvals. The consideration agreed was the issue to the Company of 6,538,462 new ordinary shares in the capital of Auroch, and 6,538,462 options to acquire ordinary shares in the capital of Auroch, each option exercisable into one Auroch ordinary share at a strike price of \$0.15 expiring 31 December 2016. Additionally, inter-company loans advanced by the Company to ASMOz will be assigned to Auroch. As at 30 June 2014, the Mozambican Exploration segment was classified as a disposal group held for sale.

Immediately before the classification of the segment as a discontinued operation, the recoverable amount of its assets was estimated. The recoverable amount estimation was based on fair value less costs to sell, using the quoted value of Auroch's shares, and was determined at the cash-generating unit level, being the entire Mozambican Exploration segment.

Management's decision to discontinue the Mozambican operations resulted in a reduction of value in use of the cash-generating unit. As a result, an impairment loss of \$1,173,223 was recognised to reduce the carrying amount of the Mozambican operations to recoverable amount. This has been recognised in the Statement of Profit or Loss in the line item 'discontinued operations'.

(b) Details of operations held for sale as at 30 June 2013

On 2 June 2012, the Company and LionGold Corp Limited (LionGold) entered into a Share Sale Agreement to dispose of the Company's interest in Vista Gold (Antigua) Corp and its wholly owned subsidiaries, which own the Amayapampa Gold Project in Bolivia. Additionally, inter-company loans advanced by the Company to Vista Gold and its subsidiaries were assigned to LionGold. The Amayapampa Gold Project was accordingly classified as a disposal group held for sale as at 30 June 2012. The transaction was completed during the year ended 30 June 2013, and accordingly the comparatives in the following sub-notes (d) and (f) relate to the Amayapampa Gold Project.

(c) Particulars of the ASMOz agreement and matters subsequent to the reporting date

The Quota Sale and Purchase Agreement is subject to a number of conditions precedent, including approval of the Company's shareholders. An Extraordinary General Meeting of shareholders is scheduled for this purpose on 29 September 2014. Events subsequent to the reporting date indicate that the fair value has fallen by approximately \$62,000 consequent to a fall in Auroch's share price.

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Notes to the Financial Statements for the Year Ended 30 June 2014

Note 7: DISCONTINUED OPERATIONS (Continued)

(d) Financial performance of operations held for sale

The results of the discontinued Mozambican Exploration segment (2013: Bolivian Exploration segment) for the year are presented below:

	2014	2013
	\$	\$
Consultant, contractor and employee expenses	349,010	1,096,686
Other expenses from ordinary activities	299,384	363,376
Loss recognised on impairment of assets	1,173,223	2,012,265
Adjustment to the fair value of proceeds arising from share price and foreign exchange rate movements	-	838,322
Loss before and after income tax from discontinued operations	1,821,617	4,310,649

(e) Assets and liabilities — held for sale operations

The major classes of assets and liabilities of the Mozambican Exploration segment at 30 June 2014 are as follows:

Assets

Cash and cash equivalents	11,430
Trade and other receivables	17,292
Plant and equipment	12,131
Exploration rights and expenditure	280,490
Assets directly associated with assets classified as held for sale	321,343

Liabilities

Trade and other payables	11,343
Net assets attributable to discontinued operations	310,000

(f) Cash flow information — held for sale operations

The net cash inflows (outflows) associated with the Mozambican Exploration segment (2013: Bolivian Exploration segment) for the year are presented below:

Operating activities	(648,394)	(1,460,062)
Investing activities	(761,645)	2,938,027
Net cash outflow	(1,410,039)	1,477,965

Note 8: TRADE AND OTHER RECEIVABLES

Current

	2014	2013
	\$	\$
Sundry receivables	98,218	74,043
GST and input taxes refundable	12,327	45,471
	110,545	119,514

Note 9: OTHER FINANCIAL ASSETS

Current

	2014	2013
	\$	\$
Available for sale investments - Quoted equity shares	(i) -	2,102,601
Purchase consideration deposit	(ii) -	100,000
Loan advanced to African Stellar Mozambique Limitada	(iii) -	201,684
	-	2,404,285

(i) Available for sale investments - Quoted equity shares

The Group's investments in listed equity securities arose from the disposal transaction involving LionGold (refer Note 7). The fair value of the quoted equity shares is determined by reference to published price quotations in an active market.

(ii) Purchase consideration deposit

As detailed in Note 6, on 15 April 2013 the Company entered a conditional Share Sale Agreement to acquire all of the issued capital of ASMOz.

Certain conditions precedent remained incomplete as at 30 June 2013. Upon entry into the Share Sale Agreement, the Company paid \$100,000 to the sellers, and agreed to advance a loan (refer (iii) below) to assist ASMOz to meet capital expenditure and working capital needs. In anticipation of the transaction completing in accordance with the Share Sale Agreement, the Company issued but maintained control over the 25 million shares purchase consideration component.

(iii) Loan advanced to African Stellar Mozambique Limitada

The loan is held to maturity, to generate a variable interest income for the Company in the event that the Share Sale Agreement were not to complete.

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Notes to the Financial Statements for the Year Ended 30 June 2014

Note 10: PROPERTY, PLANT AND EQUIPMENT

	2014	2013
	\$	\$
Furniture and equipment at cost	9,054	9,054
Less accumulated depreciation	(7,616)	(5,216)
	<u>1,438</u>	<u>3,838</u>

Movements in property, plant & equipment carrying amounts:

	Opening Balance	Depreciation	Closing Balance
2014			
Furniture and equipment	3,838	(2,400)	1,438
2013			
Furniture and equipment	6,227	(2,389)	3,838

Note 11: ISSUED CAPITAL

	2014	2013
	\$	\$
384,478,960 fully paid ordinary shares (30 June 2013: 192,239,480 shares) (i)	62,646,085	60,222,708
Less: Capital raising costs	(4,288,590)	(4,072,378)
	<u>58,357,495</u>	<u>56,150,330</u>

Shares issued during the year:

	Date	No. of Shares	Capital \$
Beginning of reporting period	30 June 2013	192,239,480	56,150,330
Exercise of bonus options during the period up to the expiry date on	31 October 2013	10,250,385	102,504
Exercise of bonus options under underwriting agreement	31 October 2013	181,989,095	1,819,891
Capital raising costs	31 October 2013	-	(215,230)
Capital issued in the previous year under escrow arrangements	November 2013	-	500,000
End of reporting period	30 June 2014	384,478,960	58,357,495

(i) Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital risk management

When managing capital, which management consider to be all components of equity, management's objective is to ensure the entity continues as a going concern and maintains funds required to undertake current exploration activities and meet corporate and other costs.

Dividends

No dividends were paid or declared since the start of the financial period. No recommendation for payment of dividends has been made.

Note 12: RESERVES

	2014	2013
	\$	\$
Foreign currency translation reserve	(i) (22,456)	-
Share option reserve	(ii) 848,404	848,404
	<u>825,948</u>	<u>848,404</u>

Nature and purpose of reserves

(i) Translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign controlled entities. Upon deconsolidation of those controlled entities the balance in the reserve has been transferred to comprehensive income.

(ii) Share option reserve

The share option reserve is used to record the implied value assigned to share-based incentives at the relevant grant date.

REPUBLIC GOLD LIMITED
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Notes to the Financial Statements for the Year Ended 30 June 2014

Note 13: KEY MANAGEMENT PERSONNEL COMPENSATION

(a) Key Management Personnel Compensation

Names and positions held of Group key management personnel in office at any time during the financial year are:

Key Management Personnel	Position
Mr Raymond Shorrocks	Executive Chairman
Mr Mark Gillie	Managing Director – Executive
Mr Peter A Wicks	Non-Executive Director
Mr David King	Non-Executive Director
Mr David Hannon (appointed 19 December 2013)	Non-Executive Director

The key management personnel compensation comprised:

	2014	2013
	\$	\$
Short-term employee benefits	390,991	283,609
Post-employment benefits	8,519	5,528
Other benefits	-	-
	399,510	289,137

Information regarding individual directors and executives compensation and certain equity disclosures is provided in the Remuneration Report section of the Directors' Report, in accordance with Corporations Regulation 2M.3.03.

Apart from the details disclosed in this note, no director has entered into a material contract with the Group since the end of the previous financial year. Prior to the appointment of Mr Mark Gillie to the board the Company entered into the agreements described in Note 6 involving African Stellar Holdings Limited and African Stellar Mozambique Limitada, companies for whom Mr Gillie acted as an executive. A controlled entity of African Stellar Holdings Limited, Stellar Services, has been contracted to provide administrative services to African Stellar Mozambique Limitada at a capped rate of \$10,000 per month (refer Note 20). There were no other material contracts involving directors' interests existing at the reporting date.

(b) Directors' Share and Option holdings

The movement during the reporting period in the interests (directly, indirectly or beneficially) of the directors and other key management personnel in the securities of the Company are:

Ordinary Shares held:	Balance 1 July 2013	Newly appointed director's incoming interest	Acquired on market or through option exercise	Issued subject to Underwriting Agreement	Balance 30 June 2014
R Shorrocks	1,793,036	-	533,416	10,604,703	12,931,155
D King	500,000	-	500,000	11,356,800	12,356,800
P A Wicks	519,294	-	519,294	2,000,000	3,038,588
M Gillie	21,250,000	-	-	21,160,000	42,410,000
D Hannon	-	76,500,000	-	-	76,500,000

Note 14: EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the loss attributable to shareholders, and the weighted average number of ordinary shares outstanding, calculated as follows:

	2014	2013
	\$	\$
Loss attributable to ordinary shareholders:		
Continuing operations	(756,221)	(1,250,057)
Discontinued operations	(1,821,617)	(4,310,649)
Net loss for the year	(2,577,838)	(5,560,706)

Weighted average number of ordinary shares:

Issued shares at 1 July	192,239,480	3,344,772,499
Shares issued under option exercise or under underwriting agreement	October 2013	192,239,480
Share consolidation: 1 for 20, subject to rounding	October 2012	-
Shares issued	June 2013	-
Issued shares at 30 June	384,478,960	192,239,480
Weighted average number of shares used in calculating earnings per share	320,399,133	167,720,249

Basic and diluted loss per share (cents)

Continuing operations	(0.24)	(0.75)
Net loss for the year	(0.80)	(3.32)

REPUBLIC GOLD LIMITED
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Notes to the Financial Statements for the Year Ended 30 June 2014

Note 15: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2014 \$	2013 \$
Cash on hand and at bank as shown in the Statement of Financial Position	1,987,049	307,381
Cash included in assets of disposal group classified as held for sale	11,430	-
Cash shown in the Statement of Cash Flows	1,998,479	307,381

Cash and cash equivalents includes working cash balances in cheque and cash management accounts. Balances as at year end had an effective annual interest rate of approximately 2.3%, maturing at call. Cash balances are invested for short terms with banks with minimal interest rate risk exposure (refer Note 22).

(b) Reconciliation of net cash provided by operating activities:

Loss from ordinary activities after income tax	(2,577,838)	(5,560,706)
Non-cash flows in loss from ordinary activities		
- profits on disposal of investments and other non-cash revenue	(43,561)	-
- depreciation	2,400	2,389
- impairment of receivables	50,985	-
- impairment of Mozambique Exploration segment	1,173,223	-
- impairment of Bolivian Exploration segment	-	2,850,587
- decrease (increase) in receivables	(39,834)	45,769
- increase (decrease) in payables	(21,514)	(111,556)
Net cash provided (consumed) by operating activities	(1,456,139)	(2,773,517)

Note 16: INVESTMENT IN CONTROLLED ENTITIES

		Ownership interest	
	Incorporated in:	2014	2013
Republic East Africa Limited	Hong Kong	100	100
African Stellar Mozambique Limitada	Mozambique	100	-

Note 17: PARENT ENTITY

The following supplementary information is provided in respect of the parent entity Republic Gold Limited.

Statement of Financial Position

	2014 \$	2013 \$
Assets		
Current assets	2,407,594	2,831,180
Non-current assets	1,438	3,838
Total Assets	2,409,032	2,835,018
Liabilities		
Current liabilities	(163,082)	(195,939)
Net assets	2,245,950	2,639,079
Equity		
Issued capital	58,357,495	56,150,330
Retained earnings	(56,937,493)	(54,359,655)
Reserves	825,948	848,404
Total Equity	2,245,950	2,639,079
Statement of Comprehensive Income		
Total (loss) for the year	(2,577,838)	(5,560,706)
Other comprehensive income	(22,456)	249,404
Total comprehensive income	(2,600,294)	(5,311,302)

The Company's contingent liabilities are disclosed in Note 19.

REPUBLIC GOLD LIMITED**ABN 86 106 399 311****Notes to the Financial Statements for the Year Ended 30 June 2014****Note 18: CAPITAL AND LEASING COMMITMENTS****Leasing commitments**

Future minimum rentals payable under non-cancellable operating leases in relation to premises as at 30 June are as follows:

	2014	2013
	\$	\$
Due within one year	-	14,157

Note 19: CONTINGENT ASSETS AND LIABILITIES

The Company has no contingent assets or liabilities except:

Under the terms of the Quota Sale and Purchase Agreement to dispose of the Company's interest in ASMoz, inter-company loans advanced by the Company to ASMoz will be assigned to Auroch. Should the divestment not proceed, any amounts funded by way of loan to ASMoz by Auroch must be repaid by the Company. As at 30 June 2014, no amounts had been funded.

Under the terms of the Share Sale Agreement with LionGold, the Company agreed to indemnify LionGold or the disposed Vista Gold companies against any defined breach of warranty, law, or other defined condition, including any loss arising from or in connection with the pre-existing legal proceedings in respect of clear title to the Amayapampa mining tenements. Any liability will arise only after the aggregate of all defined claims exceeds USD 100,000, in which case LionGold may claim the whole amount, up to a maximum aggregate amount equal to the Purchase Price (USD 7,000,000). Apart from tax warranties or indemnities which must be claimed before the sixth anniversary of the completion date, any other warranty or indemnity claim must be made within 18 months of the completion date.

Note 20: RELATED PARTY TRANSACTIONS

As described in Note 6, Stellar Services, a company related to Mr Mark Gillie was contracted to provide administrative services to African Stellar Mozambique Limitada. During the current financial year the total cost of the services was \$115,179.

Spring Street Holdings Pty Ltd, a company associated with Mr Raymond Shorrocks, provided consulting services to the Company, for which a fee of \$55,000 (2013: \$-) was charged and paid.

Apart from the above and matters disclosed in relation to key management personnel compensation (Note 13), and loans advanced to African Stellar Mozambique Limitada (Note 6), there were no related party transactions during the year reported on.

Note 21: SEGMENT INFORMATION

The consolidated group is organised into the following operating segments:

- Exploration activities in Australia
- Exploration activities in Bolivia

	Mozambican Exploration	Bolivian Exploration	Other	Total
2014				
Revenue - external	-	-	86,828	86,828
Operating result	(1,821,617)	-	(756,221)	(2,577,838)
Cash flow (from)/on exploration assets	485,228	-	-	485,228
As at 30 June 2014:				
Exploration assets	310,000	-	-	310,000
Total assets	310,000	-	2,099,032	2,409,032
Total liabilities	-	-	(163,082)	(163,082)
2013				
Revenue - external	-	-	29,245	29,245
Operating result	-	(4,310,649)	(1,250,057)	(5,560,706)
Cash flow (from)/on exploration assets	301,684	(2,938,027)	-	(2,636,343)
As at 30 June 2013:				
Exploration assets	301,684	-	-	301,684
Total assets	301,684	-	2,533,334	2,835,018
Total liabilities	-	-	(195,939)	(195,939)

REPUBLIC GOLD LIMITED**ABN 86 106 399 311****Notes to the Financial Statements for the Year Ended 30 June 2014****Note 22: FINANCIAL RISK MANAGEMENT**

Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks. These risks include market risk (currency and interest rate risk), credit risk and liquidity risk.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable, and accounts payable. There are no speculative or derivative financial instruments.

Cash balances have a modest interest rate exposure. Funds are invested with domestic banks, typically at call.

(a) Categories of financial instruments

	2014	2013
	\$	\$
Financial assets:		
Cash and cash equivalents	1,987,049	307,381
Trade and other receivables	110,545	119,514
Available for sale investments - Quoted equity shares	-	2,102,601
Purchase consideration deposit	-	100,000
Loans	-	201,684
	2,097,594	2,831,180
Financial liabilities:		
Trade and other payables	163,082	195,939

(b) Market risk – Currency risk

Foreign currency risks arise from the Company's investment in foreign controlled subsidiaries. The currency in which these transactions are primarily denominated are US Dollars. The Company's subsidiary investment is not hedged. Impacts are largely borne on translation of the financial statements of foreign controlled entities, and accumulation of the differences is taken to the foreign currency translation reserve.

(c) Market risk – Interest rate risk

The group has minimal interest rate risks arising from its cash deposits.

(d) Credit risk exposures

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises principally from cash on deposit and receivables. The objective of the entity is to minimize risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date is the carrying amount of those assets, net of any impairment, as disclosed in the statement of financial position and notes to the financial statements.

There is no concentration of credit risk as the group did not have customers during the year. The group manages its credit risk associated with cash and equivalents by only dealing with reputable financial institutions.

(e) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due.

The objective of managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due.

Working capital primarily comprises of cash. The group has established the following processes for managing liquidity risk: regularly forecasting cash flows and monitoring actual cash flows against the forecasts; and monitoring the availability of equity capital and current market conditions.

(f) Fair values

All financial assets and liabilities have been recognised at cost less accumulated impairment which approximates their fair value.

Note 23: EVENTS SUBSEQUENT TO YEAR END

Subsequent to the year-end the following events have occurred:

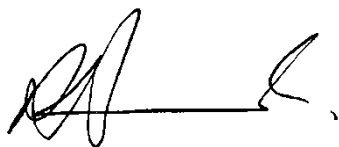
Mr Mark Gillie resigned as Managing Director and Chief Executive Officer with effect from 31 July 2014, though he remains on the Board of Directors.

At the Extraordinary General Meeting held on 29 September 2014, shareholders approved the disposal of the Company's interest in the issued share capital of African Stellar Mozambique Limitada to Auroch Minerals NL. The approved transaction includes a provision that completion occur by 2 October 2014. The transaction can be completed when the Mozambique government formally registers the transfer of quotas (shares).

DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors of Republic Gold Limited, it is stated that, in the opinion of the Directors:

1. The financial statements, notes and the additional disclosures included in the Directors' Report designated as audited, of Republic Gold Limited are in accordance with the *Corporations Act 2001* including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (b) complying with Accounting Standards and the *Corporations Regulations 2001*;
2. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1;
3. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
4. The Chairman has declared that:
 - (a) the financial records of the Consolidated Group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.



Raymond J Shorrocks
Chairman

Dated this 30th day of September 2014

Independent Auditor's Report to the Directors of Republic Gold Limited

Report on the Financial Report

We have audited the accompanying financial report of Republic Gold Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2014, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. We confirm that the declaration would be in the same terms if given to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

- (a) the financial report of Republic Gold Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the financial year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Republic Gold Limited for the financial year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.



PKF Lawler Melbourne Audit & Assurance



Steven Bradby

Partner

Melbourne, 30 September 2014

REPUBLIC GOLD LIMITED

ACN 106 399 311

**ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES AS AT 14 OCTOBER 2014
FOR - RAU: ORDINARY FULLY PAID SHARES****Substantial Shareholders**

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

SHAREHOLDER:	DATE NOTICE RECEIVED	NO. SHARES PER NOTICE RECEIVED	% TOTAL SHARES*
AFRICAN STELLAR HOLDINGS LIMITED	01/07/2013	21,250,000	11.05%
CHIFLEY PORTFOLIOS PTY LTD	14/11/2013	76,500,000	19.90%

Distribution of Shares

HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL ISSUED CAPITAL
1 - 1,000	2,015	497,626	0.129%
1,001 - 5,000	1,161	3,200,984	0.833%
5,001 - 10,000	466	3,670,861	0.955%
10,001 - 100,000	1,087	39,167,503	10.187%
100,001 - 999,999,999,999	306	337,941,986	87.896%
TOTAL	5,035	384,478,960	100 %

Less Than Marketable Parcels

LESS THAN MARKETABLE	PARCEL	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL ISSUED CAPITAL
1 - 71,428		4,599	35,047,641	9.116 %
71,429 - OVER		436	349,431,319	90.884 %
TOTAL		5,035	384,478,960	100 %

Top 20 Shareholders

RANK	SHAREHOLDER	TOTAL UNITS	% ISSUED CAPITAL
1	AFRICAN STELLAR HOLDINGS LIMITED	42,410,000	11.031
2	CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON RETIREMENT A/C>	40,000,000	10.404
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	14,525,960	3.778
4	SPRING STREET HOLDINGS PTY LTD	12,681,155	3.298
5	RAH (STC) PTY LTD	12,500,000	3.251
6	SIZZ PTY LTD	10,000,000	2.601
7	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	8,794,928	2.287
8	RAH (STC) PTY LTD	7,500,000	1.951
9	MR RODNEY MCKENZIE HOLM	6,842,749	1.780
10	CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON A/C>	6,500,000	1.691
11	CITICORP NOMINEES PTY LIMITED	6,201,995	1.613
12	QUEENSLAND MM PTY LTD <SUPERANNUATION A/C>	6,000,000	1.561
13	MR ALEXANDER FLEMING WYLIE	6,000,000	1.561
14	ACTIONETTE PTY LTD	5,809,980	1.511
15	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	5,013,750	1.304
16	PINBROOK PTY LIMITED	5,000,000	1.300
17	RHODES CAPITAL PTY LTD <MCLEOD SUPER FUND A/C>	5,000,000	1.300
18	TRANSITION METALS PTY LTD	5,000,000	1.300
19	MELBOURNE CHILD CARE SERVICES PTY LTD	3,668,355	0.954
20	ZEUS GOLD PTY LTD	3,219,855	0.837
TOTAL		212,668,727	55.313

All shares carry one vote per unit without restriction.

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