



Proposed \$20 million Entitlement Offer

Orbis Gold Limited ("Orbis Gold" or "the Company") advises that it has agreed with Greenstone Resources L.P ("Greenstone") to terminate the Subscription and Co-Operation Deed, under which Greenstone proposed to subscribe for US\$20 million of Orbis Gold shares at a price of A\$0.42 per share ("Greenstone Funds"). Accordingly, the General Meeting scheduled for 31 October 2014 to approve the placement to Greenstone has been cancelled.

Any valid proxies which have already been lodged will be cancelled and no new proxy need be lodged to indicate your voting instruction.

Orbis Gold's stated strategy is to advance its world-class Natougou Gold Project to production and to continue to grow its high grade Mineral Resource inventory through ongoing exploration and new gold discoveries. This strategy has received, and continues to receive, strong endorsement from the Company's shareholders, subject to a superior alternative.

In order to advance that strategy Orbis Gold proposes to undertake a non-renounceable entitlement offer to all shareholders to raise up to A\$20 million at a fixed price of A\$0.60 per share. The equity raising will be subject to shareholders' approval at the Company's Annual General Meeting ("AGM"), scheduled for 28 November 2014.

A notice of meeting for the AGM and Explanatory Memorandum will be mailed to shareholders shortly. These documents will provide details of the entitlement offer and outline important considerations in light of SEMAFO Inc's unsolicited offer, which the Orbis Gold Board has unanimously rejected.

If approved, proceeds from the entitlement offer will be primarily used for the same purposes as those previously designated for the Greenstone Funds, which will include:

- Advancing the Company's flagship Natougou Gold Project towards a positive construction decision;
- Progressing key priority exploration and appraisal targets including the completion of a scoping study on the high grade Nabanga Gold project; and
- General working capital.

Orbis Gold and its advisers continue to be in active discussions with third parties regarding superior alternatives to SEMAFO's proposed Offer (**announced 16 October 2014**).

The Board reiterates that it unanimously REJECTS the SEMAFO Offer and advises shareholders to TAKE NO ACTION in relation to the SEMAFO Offer.

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Further information on Orbis Gold can also be found on our website www.orbisgold.com

Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Spiers, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Spiers is a full-time employee of the company. Mr Spiers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Spiers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information on Natougou is extracted from the report entitled 'Natougou Gold Project - Resource Expanded to 2.0Mozs @ 3.4gt Au' created on 4 August 2014 and is available to view on www.asx.com.au.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.