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SHAREHOLDER UPDATE: FOCUS ON AMAYAPAMPA AND OPTIONS FOR AUSTRALIAN PROJECTS AND TREGOORA PROGRESS

The Directors of Republic Gold Limited (“**Republic**” or “**Company**”) are pleased to advise that as part of the Company’s increased focus on getting the Amayapampa Gold Project into production, the Board of Directors is reviewing the Company’s exploration and development portfolio in Australia.

As part of the review, the Board will consider options to farm-out or divest the Company’s Australian properties (this includes the Tregoora/Northcote Gold Project resource areas and Burruga). This is in line with the Board’s overall objective to focus on Amayapampa and free-up management and resources to ensure the company’s flagship gold project – the 1.3m oz Amayapampa Gold Project (35.5mt @ 1.1 g/t with ~50% of resource at ≥ 1.9 g/t) - is brought into production.

The Board considers Hodgkinson Basin to be prospective for gold and anticipates a high level of interest from within the Australian and Queensland mining sector in this asset, as supported by the results of recent work completed at the project (see below).

This project would account for a significant commitment of the Board and management’s time as well as funding. In this context, the review of Australian Projects is likely to free up resources and contribute cash towards the Company’s future exploration and development commitments on its more advanced and flagship projects.

FNQ TREGOORA GOLD PROJECT AREA UPDATE

Key Points

- Soil geochemistry has indicated the potential for two new high grade hotspots (the East Ridge and West Ridge Prospects) approximately two kilometres to the north of the high grade Terrace Creek Prospect.
- Surface rock chip samples of 9.3, 7.9 and 3.7 g/t Au were taken from the new East Ridge Prospect.
- Petrological examination of samples from the Terrace Creek Prospect indicate why good metallurgical recoveries are encountered from high grade gold zones in the theoretically “refractory” zone below the base of oxidation.

Surface Geochemistry

Recent soil geochemical sampling has indicated two new hotspots at Tregoora by delineating the limits of gold anomalism at Tregoora’s West Ridge and East Ridge prospects (see figure 1 below). The West Ridge anomaly extends over 700 metres along the Retina Fault, the major mineralizing structure in the region. The East Ridge Anomaly extends over 500 metres on an apparent splay shear off the Retina Fault. The

anomalies occur within silicified sediments of the Hodgkinson Formation and include many +100 parts per billion gold values. The central 300 metres of the West Ridge anomaly is up to 180 metres wide, due in part to down-slope dispersion. This new anomaly is supported by an envelope of interest outlined in 2008 over the greater Tregoora area by CSIRO and GSQ in a deformation and fluid-flow modelling project for which the Company was a major funder.

Rock chip sampling of quartz veined silty shales has yielded significant strong assays of 9.3, 7.9 and 3.7 g/t Au from three of five samples taken on the East Ridge Prospect.

These new gold hot spots on East Ridge and West Ridge Prospects are centred some 2 kilometres to the north of the Company's high grade Terrace Creek Prospect. This zone has yielded a number of high grade shallow drill intercepts over the past two years, e.g. FNO42 which had 24 metres @ 8.30 g/t Au from 2 metres. Both the East Ridge and West Ridge Prospects are now drill-ready. Further geochemical sampling and mapping will take place at the junction of the Retina Fault and East Ridge splay.

Petrology Testwork

Metallurgical testwork of the Terrace Creek Prospect hotspot has shown good conventional gold recoveries extending below the base of oxidation and into the "refractory" zone.

Recent petrology and metallurgical testwork has provided evidence for the positive results. The petrology has provided a reason for the higher than expected recoveries from the conventional cyanide leach tests and has shown that there is free gold associated with the pyrite, either on the surface of the pyrite or within the pyrite crystals (see Figure 2 below), although some gold is still refractory and is in solid solution in the arsenopyrite. It is believed that this has occurred because of the moderate arsenic concentrations at the Terrace Creek Prospect compared to the high arsenic levels at the Sleeping Giant Prospect. In the Terrace Creek system with high gold grades, insufficient arsenopyrite is formed to encapsulate the gold and hence discrete gold grains have formed in and around the pyrite crystals.

Similar to the low arsenic environment at Amayapampa, the higher gold grades lead to a greater proportion of the potential ore being amenable to conventional metallurgical techniques and therefore a more favourable economic scenario for the northern Tregoora prospects.

The Board of Directors anticipate reporting back to shareholders shortly on the outcome of its review of Tregoora.

Yours faithfully



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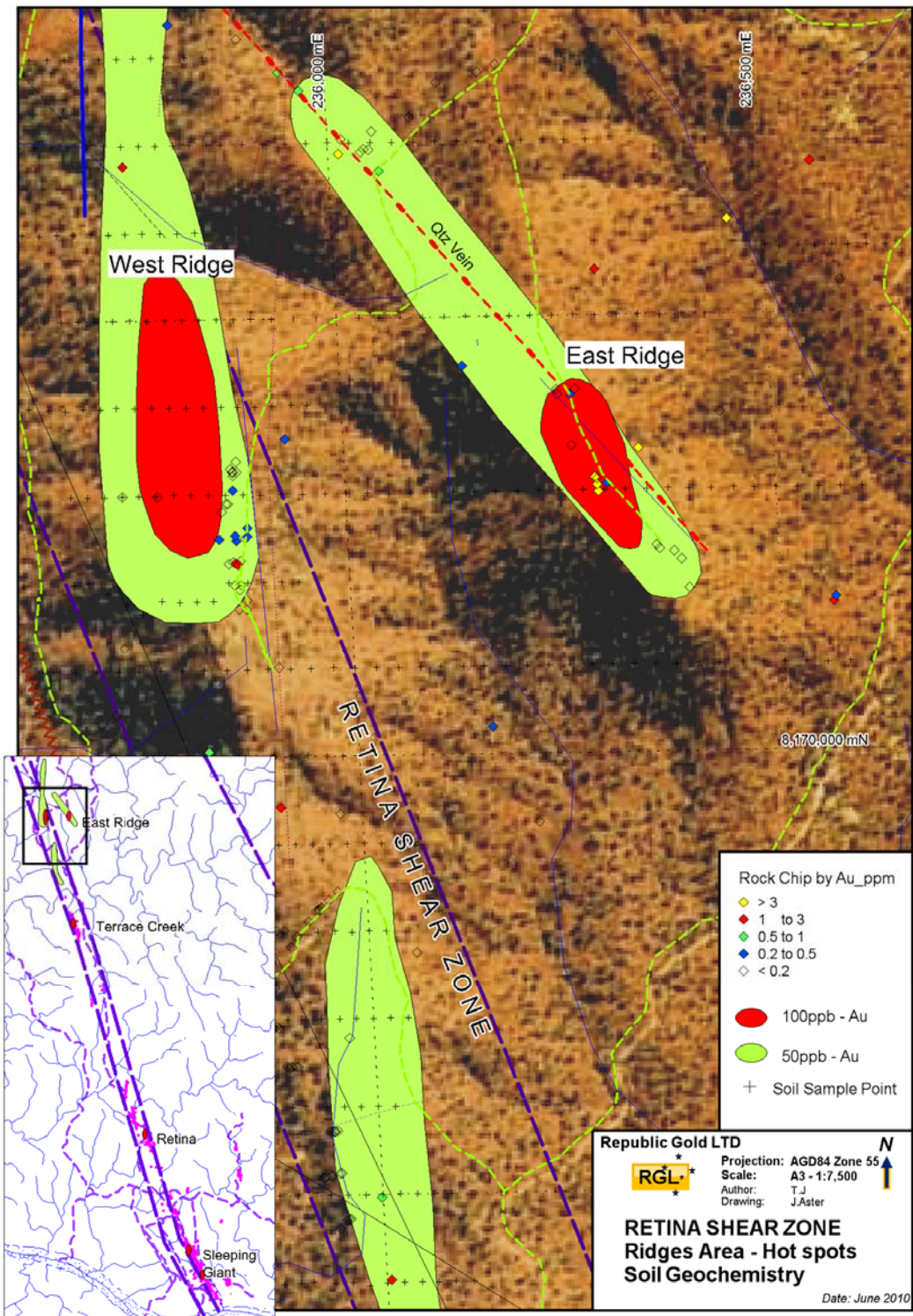


Figure 1 - Location of the New Hotspots at Tregoorra

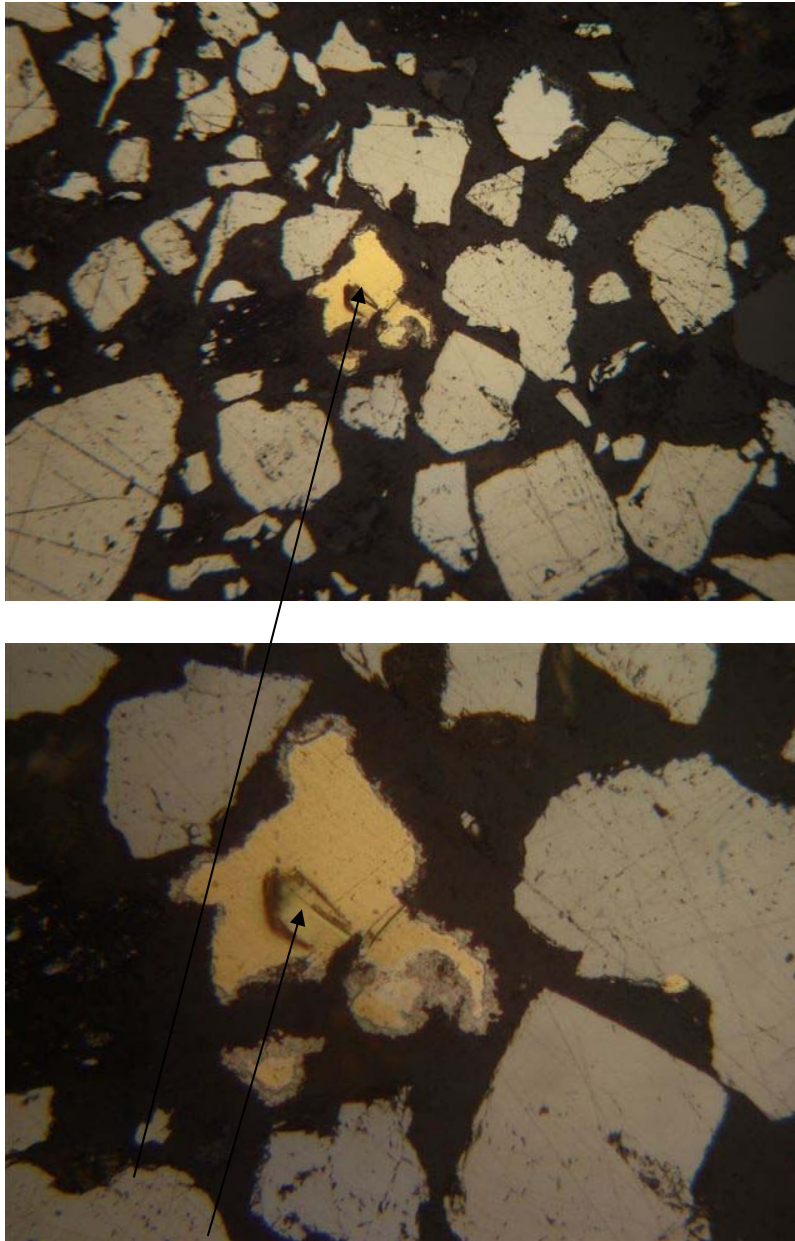


Figure 2 - Irregular free gold blebs. One small grain is attached to pyrite (top and bottom photo). Long dimension of photos is 0.75mm (top) and 0.25mm (bottom)

JORC Compliance Statement

Information in this report that relates to the Exploration Activity for Republic Gold Limited is based on information compiled by Trevor Jackson, Republic Gold's FNQ Exploration Manager and a member of the Australasian Institute of Mining and Metallurgy. Trevor Jackson has a minimum of five years experience in the work proposed and have significant experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Trevor Jackson consents to the inclusion in this report of these matters based on the information in the form and context in which it appears.

Information in this report that relates to mineral resources for Republic Gold Limited is based on information compiled by Neb Zurkic, a member of the Australasian Institute of Mining and Metallurgy and on information estimated by Kerrin Allwood a member of the Australasian Institute of Mining and Metallurgy, both of whom have a minimum of five years experience in the estimation, assessment and evaluation of mineral resources and ore reserves. Neb Zurkic and Kerrin Allwood have significant experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Neb Zurkic and Kerrin Allwood consent to the inclusion in this report of these matters based on the information in the form and context in which it appears.