

REPUBLIC GOLD LIMITED

QUARTERLY REPORT DECEMBER 2008



New Visible Gold Intersection in Amayapampa Diamond Drillhole RAU02 & Close-up

HIGHLIGHTS

Queensland - Hodgkinson Basin Projects

- ◆ Resource upgrades commenced for FNQ projects in mid-December are expected to be finished by February 2009. These will feed into the **Bankable Feasibility Study** that is underway, with **gold currently at AUD\$1,380/oz.**
- ◆ Tregoora drill result of **24m at 4.78 g/t Au**, including 8m at 10.28 g/t Au, in a cross-hole following up **24m at 8.30 g/t Au**, including 11m at 12.37 g/t Au, on the same drill section.
- ◆ Bottle-roll tests on the **8.30 g/t Au** intersection gave gold recoveries averaging **82.7%** in the top 18 metres of the hole.
- ◆ 861 metres of aircore drilled at the Kangaroo Creek Tin Project JV. 16 assays averaged over 400 parts per million tin.
- ◆ Ministerial consent for the acquisition of four granted mining leases from Mr N Adam was granted.
- ◆ Drilling at Whumbal West produced best results of **2m @ 0.29 % W03** from 64m & 4m @ 0.11 % W03 from 14m.
- ◆ A **significant reduction in tenement holdings** in Far North Queensland is underway to minimise unnecessary outlays.
- ◆ **Native Title** negotiations commenced in FNQ.

Amayapampa Gold Project - Bolivia

- ◆ With Gold over US\$900/oz, the Amayapampa resource is upgraded by **50%** from 0.72Moz to **1.08Moz**, increasing the Company's total resource base to **1.58Moz** from 1.22Moz.

- ◆ **Pre-construction phase at Amayapampa to commence** with earthworks associated with the open pit, waste dumps, tailings dam & treatment plant site.

- ◆ A **new visible gold zone** encountered; 5m wide & 20m outside the currently interpreted mineralisation boundary.

- ◆ **1,440 metres** drilled at Amayapampa. Surface channel sampling & pitting programme commenced.

- ◆ Three Directors visited Bolivia in October & held a series of very successful meetings with politicians & authorities.

NSW - Burruga Polymetallic Project

- ◆ A report from a respected geological consultant who visited Burruga supports Burruga's significant potential.

Corporate

- ◆ A **confidentiality agreement signed** with a Chinese party.
- ◆ Cash at the end of the Quarter was **\$4.09M**. 38.7M options were exercised during the Quarter raising **\$0.83M**.
- ◆ An announcement of an **issue of new options** with the prospectus expected to be finalised in early February.
- ◆ **Zeus Gold Pty Limited**, the company associated with two directors, **exercised 100%** of its options.
- ◆ General Meeting held on 27th October & AGM on 27th November saw all resolutions were unanimously passed.

HODGKINSON BASIN (QUEENSLAND) PROJECTS

Hodgkinson Basin Programme

Work in the December Quarter in the Hodgkinson Basin was dominated by the completion of the Stage 2 2008 field season drilling programme at Tregoora, an initial aircore drilling programme at the Kangaroo Creek Tin Project and a second programme of drilling at Whumbal West.

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

- ◆ Resource drilling on new targets at Tregoora that were successfully drilled during the 2007 field season and further resource drilling at Northcote with the aim of increasing the Company's total resource base in FNQ to 750,000 ounces of gold. With the current high gold prices in Australian dollar terms the Company has revised this target resource figure down to 600,000 to 650,000 ounces. *Work commenced late in the Quarter on upgrading the resources at the Tregoora and Northcote Projects.*
- ◆ Develop a tungsten resource at the Whumbal West Prospect. *A second drilling programme took place over the last few months of 2008 with the results of both programmes insufficient at this stage to develop a resource at Whumbal West.*
- ◆ Strategic drillholes to examine depth potential of existing resources. *This work has not been done yet while shallower depth potential was chased in other areas.*
- ◆ Regional reconnaissance testing of the widespread gold occurrences within the Company's large holdings for significant sulphide hosted gold occurrences. *An extensive programme of fieldwork took place in 2008 with a number of areas producing interesting results.*
- ◆ Assessment of the Company's areas for tungsten, tin, antimony and copper potential. *Fieldwork commenced late in the year on exploring further tungsten targets.*
- ◆ Complete the FNQ Gold Projects' Feasibility Study. *The Feasibility Study has not been completed yet but it was significantly advanced.*
- ◆ Drilling to provide further samples for metallurgical testwork. *No further metallurgical testwork was carried out.*

The Company's equity share of the FNQ projects totals 441,000 ounces of gold and 8,000 tonnes of antimony. These resources are detailed in the 2008 Annual Report and below. An upgrade of these resources, incorporating the last season's results, is in progress.

The Company remains focussed on the earliest possible development of an operation to produce gold and a positive cash flow. This includes a re-evaluation of the potential of commencing production in the Hodgkinson Basin from shallow oxide ore, following encouraging results from exploration at Northcote and Tregoora, particularly at the Terrace Creek Prospect at Tregoora. Figure 1 shows the Company's Hodgkinson Basin tenements.

Tregoora Gold Project (EPM 13937 Republic 100%)

EPM 13937 contains the 100%-owned Tregoora Project, which the Company believes provides a development opportunity, along with the Northcote Project. The Tregoora Project contains the 121,000 ounce Sleeping Giant Prospect that lies on the Retina Fault, a major regional fault some 50 kilometres long, plus a number of other prospects to the north along the Retina Fault and to east of the Retina Fault.

During the Quarter, the Company received analysis results from the Stage 2 drilling programme of the 2008 field season that was completed in the September Quarter. A total of 24 holes was drilled at Tregoora in this programme for 1,436 metres.

The successful drilling programmes at Tregoora in 2007 and 2008 will result in a new resource estimate for the Project. Some prospects at the Project will be remodelled and others will have initial geological block models produced for them. This work is anticipated to produce an overall resource upgrade for the Project.

Terrace Creek Prospect

The Terrace Creek Prospect lies 4 kilometres to the north of the Retina Pit. Along with the Sleeping Giant Prospect, it lies on the +50 kilometre long Retina Fault, a major mineralising structure in the area. The Terrace Creek Prospect was drilled in both Stages 1 and 2 of the 2008 drilling programme. Following both stages of drilling, drill coverage at Terrace Creek now covers a strike length of 400 metres.

In Stage 1 one high grade intersection was encountered in drillhole FN042 – 24 metres at 8.30 g/t Au from 2 metres, including 11 metres @ 12.37 g/t Au. As this was then the northernmost hole on this prospect and with no other drillholes to aid in the interpretation this drillhole, it was initially interpreted to be down dip. In the Stage 2 drilling programme a cross hole was drilled on the same drilling section as FN042. This drillhole, FN060, produced an intersection of 24 metres at 4.78 g/t Au from 2 metres, including 8 metres @ 10.28 g/t Au.

The current interpretation of these two drillholes is that they indicate a steeply dipping shoot that is most likely plunging to the north. The two intersections are very exciting for the Company. Based on the geological interpretation that this high grade shoot has the same strike direction as the Retina Fault, it appears that the mineralised zone has a true width of approximately 20 metres. With this sort of width and grades, further successful drilling of this shoot is likely to rapidly add ounces to the Tregoora resource base. A small programme of holes, based on the steeply dipping shoot and other possible orientations, has been planned to delineate the zone and will be drilled sometime after the current wet season.

The Company's geologists have reported that the mineralisation in these drillholes looks different to the rest of the Tregoora mineralisation. On the basis of this observation, samples from FN042 were sent for preliminary metallurgical testwork. This testwork involved standard cyanide bottle roll tests to determine the proportion of cyanide-recoverable gold in the samples. The results of this testwork produced cyanide-recoveries that were significantly higher than what generally occurs at Tregoora. The laboratory carried out cyanide leach bottle roll tests on seventeen samples from FN042, from downhole intervals from 2 metres to 36 metres. The bottle roll tests showed excellent leaching of gold from 4 metres to 18 metres down the hole, with an average recovery of 82.7% in this material. A number of intervals showed recoveries of greater than 90%. The next 8 metres down the hole showed a much reduced recovery averaging 25.7%, in line with expectations and reflecting the refractory nature of the Retina Shear zone.

The Company's technical staff know the potential of this style of mineralisation from years of working at the Fosterville Gold Project in Central Victoria. At Fosterville, the high grade Phoenix Zone was drilled over a continuous down-plunge length of 1,500 metres, with the deepest intersection being one kilometre beneath the surface. The calibre of the recent high grades and the interpreted high grade widths at Tregoora are similar to parts of the Fosterville Phoenix Zone.

Figure 2 shows the drillhole details at the Terrace Creek Prospect. Figure 3 shows drilling cross-section 8,168,520 North with bonanza drillholes FN042 & FN060.

Honey -Midway Prospect

The Honey-Midway Prospect is one of a number of mineralised zones that lie to the east of the Retina Fault. Only four holes were drilled at Midway, with each intersecting mineralisation following up two zones of attractive near surface mineralisation. The Midway and Honey Prospects have a combined strike length of 2,600 metres. The best results returned from the programme were 6 metres @ 2.02 g/t Au from 30 metres and 6 metres @ 2.04 g/t Au from 18 metres.

Pillidge Prospect

Drilling was also carried out at Pillidge, which is one kilometre to the east of the Retina Fault where a quartz blow-out along a strong fault plane was mined for antimony. Wide drill intersections returned 11 metres @ 3.92 g/t Au from 27 metres in 2005. Drilling in the Stage 2 programme has confirmed and defined the southerly plunge associated with this structure.

Drilling at Pillidge produced good drill hits in 10 of the 12 holes drilled in two pods along the trend, such as 8 metres @ 1.96 g/t Au from 36 metres, 6 metres @ 2.54 g/t Au from 24 metres, 10 metres @ 2.47 g/t Au from 6 metres and 12 metres @ 1.26 g/t Au from 34 metres.

This prospect has now been drilled over 150 metres and the interpreted mineralised pods are open in all directions. Drill spacing at Pillidge is now sufficient to calculate a maiden resource for this area.

Sleeping Giant Prospect

The Sleeping Giant Prospect contains the largest resource currently estimated in the Tregoora region. Six holes were drilled at this prospect with only one failing to intersect mineralisation. The five successful holes will assist in improving the quality of this resource. Results returned from this programme included 6 metres @ 1.42 g/t Au from 6 metres, 10 metres @ 1.89 g/t Au from 52 metres and 12 metres @ 1.23 g/t Au from 70 metres.

Stage 2 Tregoora Drilling Details and Significant Intersections

Prospect	Hole ID	Easting Metres	Northing Metres	Depth Metres	Dip Degrees	Azimuth Degrees	Significant Intersections
Terrace Creek	FN060	236,301	8,168,520	70	-60°	90°	24m @ 4.78 g/t Au from 2m (incl. 8m @ 10.28 g/t Au from 6m)
	FN062	236,299	8,168,543	76	-55°	71°	12m @ 1.24 g/t Au from 4m
	FN063	236,303	8,168,497	76	-55°	73°	2m @ 0.97 g/t Au from 18m
Midway	MWH009	241,637	8,161,474	40	-55°	270°	4m @ 1.02 g/t Au from 10m
Honey	MWH010	241,651	8,161,496	40	-55°	270°	6m @ 2.02 g/t Au from 30m
	MWH011	241,617	8,161,517	82	-55°	90°	6m @ 1.40 g/t Au from 18m
Pillidge	PWR014	239,288	8,163,953	60	-55°	75°	8m @ 1.96 g/t Au from 36m
	PWR015	239,291	8,163,968	46	-55°	75°	6m @ 2.54 g/t Au from 24m
	PWR016	239,282	8,163,968	64	-55°	75°	4m @ 2.37 g/t Au from 32m
	PWR017	239,279	8,163,984	70	-60°	75°	4m @ 1.48 g/t Au from 56m
	PWR018	239,295	8,164,002	46	-55°	75°	4m @ 1.67 g/t Au from 0m
	PWR019	239,287	8,164,002	52	-60°	75°	4m @ 4.03 g/t Au from 20m
	PWR020	239,230	8,164,446	22	-55°	75°	10m @ 2.47 g/t Au from 6m
	PWR021	239,226	8,164,443	60	-65°	75°	2m @ 2.89 g/t Au from 24m
	PWR022	239,238	8,164,403	30	-60°	75°	4m @ 1.45 g/t Au from 24m
	PWR023	239,230	8,164,401	66	-65°	75°	10m @ 1.47 g/t Au from 0m 12m @ 1.26 g/t Au from 34m
	PWR024	239,224	8,164,415	60	-60°	72°	8m @ 0.95 g/t Au from 30m
Sleeping Giant	TGA084	238,411	8,162,543	88	-55°	60°	6m @ 1.42 g/t Au from 6m 10m @ 1.89 g/t Au from 52m 12m @ 1.23 g/t Au from 70m

Intersections are generally at angles of greater than 70° to the dip and strike of mineralised structures.

2005 Sleeping Giant Prospect Drilling

In 2005 the Company drilled a series of drillholes at the Sleeping Giant Prospect in order to obtain sample for metallurgical testwork. Only a portion of the seven diamond drillholes provided sample for this testwork. Subsequently to the testwork, the remaining portions of drillholes were not sampled and analysed. This sampling and analysis was carried out in the December Quarter, with the most significant results shown in the table below. The standout intersections from this drilling were 4 metres @ 4.98 g/t Au from 6 metres, 2 metres @ 9.41 g/t Au from 13 metres, 7 metres @ 3.48 g/t Au from 13 metres and 6 metres @ 4.43 g/t Au from 10 metres.

2005 Tregoora Drilling Details and Significant Intersections

Prospect	Hole ID	Easting Metres	Northing Metres	Depth Metres	Dip Degrees	Azimuth Degrees	Significant Intersections
Sleeping Giant	TGA071	238,474	8,162,557	27	-72°	235°	4m @ 4.98 g/t Au from 6m 2m @ 9.41 g/t Au from 13m
	TGA072	238,529	8,162,436	36.5	-60°	235°	6m @ 2.41 g/t Au from 3m 7m @ 3.48 g/t Au from 13m
	TGA073	238,616	8,162,287	28.5	-75°	235°	6m @ 4.43 g/t Au from 10m 2m missing Core 21m - 23m
	TGA074	238,428	8,162,651	85.3	-62°	235°	4m @ 2.37 g/t Au from 45m 3m missing Core 49 - 52m 5m @ 1.37 g/t Au from 52m 1m missing Core 63 - 64m
	TGA075	238,463	8,162,547	28.1	-60°	235°	11m @ 1.33 g/t Au from 11m
	TGA076	238,515	8,162,430	30	-60°	245°	1m @ 3.63 g/t Au from 13m 6m @ 2.12 g/t Au from 15m 1m missing Core 21 - 22m

Intersections are generally at angles of greater than 70° to the dip and strike of mineralised structures. Missing core is a result of metallurgical testwork.

Resource Upgrades

A number of new geological block models or upgraded geological block models are being constructed for the prospects at Tregoora as a result of the 2007 and 2008 drilling programmes. Areas that will be modelled or remodelled include Sleeping Giant, Pillidge and Midway-Honey. This work is anticipated to produce an overall resource upgrade for the Tregoora Project.

The Terrace Creek Prospect will be modelled for “what if” type internal Company assessments and to aid targeting of drilling for the 2009 field season. However, it is considered that the current drilling is too widely spaced to produce an inferred resource.

Purchase of Adam Mining Leases at Tregoora

In the September Quarter the Company entered into a contract with successful local prospector, Mr Noel Adam, for the purchase of four granted mining leases at the Tregoora Gold Project, subject to the successful completion of due diligence. The mining leases are strategically located between the Company's Sleeping Giant Prospect and the Terrace Creek Prospect, where the Company has recently produced drilling intersections of 24 metres at 8.30 g/t Au and 24m at 4.78 g/t Au.

At a General Meeting of shareholders held on 27 October 2008, shareholders approved the share portion of the payment to Mr Adam for this transaction. The next stage in the transaction is for both parties to receive the approval of the Minister of Mines for the transfer of the mining leases to take place. This was received by the Company in early January 2009. The Company is now proceeding to meet the requirements of the Minister before the final stage of the contract is completed, i.e. the mining leases are transferred to the Company and the Company pays Mr Adam.

The Company has the results of two drillholes underneath the northernmost of the mining leases, MR6 and MR1, being 1.49 metres at 4.34 g/t Au and 5.39 % Sb from 62.6 metres downhole and 3.35 metres at 13.97 g/t Au and 6.97 % Sb from 108.5 metres downhole. These two drillholes have been selectively sampled and there are no assays up or down dip from these intersections, so it is reasonable to assume that a broader economic zone is present. The main open pit, which is on the northernmost of the four mining leases, was mined for antimony. A high grade antimony vein was mined in an open pit down two levels, with the third historic underground level untouched by the open pit mining.

The current antimony metal price is very high at approximately US\$4,500 per tonne which equates to AUD\$65 for 1% Sb at the current exchange rate of AUD1.00 = US\$0.66 cents. The gold equivalent of a grade of 1% Sb is approximately 1.0 g/t Au at the current gold price of AUD\$1,360 per ounce, indicating the importance of the antimony grades.

The Company has designed a 1,300-metre drilling programme consisting of mainly short drillholes to test the length of the Retina Shear zone covered by the northernmost of the Adam mining leases. One deeper drillhole will test MR1.

The Company sees the drilling programme on these mining leases as complimenting the recently completed drilling programme at Terrace Creek, Sleeping Giant and Pillidge. The entire Tregoora area is very prospective, with even minor faults in the area such as the Pillidge Prospect just to the east of the Retina Shear Zone, capable of producing historic drilling results such as 11 metres at 3.92 g/t Au and results in 2008 of 10 metres at 2.47 g/t Au and 10 metres at 1.89 g/t Au.

The four mining leases cover approximately 39 hectares and are wholly contained within the mining lease application at Tregoora already submitted to the Queensland Mines Department by the Company. Three of the mining leases cover 800 metres of the Retina Shear Zone. The Retina Shear Zone is the primary geological structure associated with gold and antimony mineralisation at Tregoora and strikes for approximately 50 kilometres, much of which is in the Company's exploration leases. Figure 4 shows the location of the Adam mining leases.

Northcote Gold Project (EPM 9869 Republic 75%)

No field work was done at Northcote during the Quarter, with all the necessary field work being done in the September Quarter. As a result of the drilling in the September Quarter a resource upgrade was commenced for Northcote late in December.

Whumbal West Tungsten Project (EPM 14737 Republic 100%)

During the September Quarter, the second stage of drilling at Whumbal West was carried out. This saw a total of 1,962 metres of drilling in 27 drillholes. This programme infills the wide spaced 2007 programme of approximately 1,500 metres that was drilled along the central 1,500 metres of this prospect that has a geochemical anomaly striking over 3,500 metres.

The results of the two stages of drilling are currently insufficient to calculate a resource for the project at this stage, in part due to 200 metre drillhole spacing and in part due to grade.

This drilling produced the second highest grade intersection seen at Whumbal West of 2 metres @ 0.29% W03 from 64 metres. Other significant intersections included 4 metres @ 0.11% W03 from 14 metres and 2 metres @ 0.11% W03 from 34 metres.

Based on extensive earlier interrogations of the historic records for Mt. Carbine, several results from Whumbal West returned grades indicating a potentially economic entity may exist. Tungsten and tin analysis data shows a reasonably positive correlation. The spatially coherent tin provides a useful framework for targeting potential concentrations of anomalous tungsten. Similar to the nearby Watershed Project, the emergence of a “vein swarm” model is suggested from rudimentary modelling of continuous tin zones that the Company did in the December Quarter. This latest data suggests that there are concentrations of both tungsten and tin increasing to the north-west and therefore further fieldwork is warranted in that locality.

Further work to be undertaken following during the 2009 field season will include: -

- sampling and analysis of a further 428 metres of as yet un-sampled core,
- infill of the existing geochemistry to 100 metres spacing in the north-western zone, and
- compilation of surface geological mapping in the north-west zone.

Whumbal West Drilling Details and Significant Intersections

Prospect	Hole ID	Easting Metres	Northing Metres	Depth Metres	Dip Degrees	Azimuth Degrees	Significant Intersections
Whumbal West	WRC010	252,667	8,187,565	93	-45°	97°	2m @ 0.04% W03 from 82m
	WRC016	252,795	8,187,822	110	-55°	90°	2m @ 0.04% W03 from 12m 2m @ 0.07% W03 from 16m 2m @ 0.03% W03 from 20m 2m @ 0.03% W03 from 34m 2m @ 0.04% W03 from 42m
	WRC017	252,755	8,187,801	74	-55°	90°	2m @ 0.05% W03 from 48m 2m @ 0.03% W03 from 56m
	WRC018	252,703	8,187,795	74	-55°	90°	2m @ 0.03% W03 from 44m 2m @ 0.05% W03 from 56m
	WRC019	252,658	8,187,800	74	-55°	90°	2m @ 0.04% W03 from 4m 2m @ 0.04% W03 from 24m 2m @ 0.03% W03 from 62m
	WRC020	252,604	8,187,785	74	-55°	90°	2m @ 0.04% W03 from 10m
	WRC022	252,748	8,187,401	74	-55°	90°	2m @ 0.05% W03 from 50m
	WRC023	252,700	8,187,401	63	-55°	90°	4m @ 0.11% W03 from 14m
	WRC024	252,652	8,187,399	66	-55°	90°	2m @ 0.04% W03 from 4m 2m @ 0.03% W03 from 8m
	WRC025	252,602	8,187,398	74	-55°	90°	2m @ 0.11% W03 from 34m
	WRC028	252,749	8,187,200	74	-55°	90°	2m @ 0.03% W03 from 36m
	WRC031	252,634	8,186,999	74	-55°	90°	2m @ 0.29% W03 from 64m
	WRC032	252,591	8,187,014	74	-55°	90°	2m @ 0.03% W03 from 36m
	WRC033	252,545	8,187,008	74	-55°	90°	4m @ 0.05% W03 from 64m 2m @ 0.05% W03 from 70m

Intersections are generally at angles of greater than 30° to the dip of the mineralised structures.

Figure 5 shows a composite plan of Whumbal West 2007 drillhole locations overlaid on the geochemical anomaly with the first derivative of the aeromagnetic and gravity signature.

In the June Quarter the Company revitalised its assessment of current gold resources for a Bankable Feasibility Study ("BFS") on the FNQ Gold Projects. The rise in the Australian dollar denominated gold price to over \$1,300 per ounce remains the impetus for accelerated project assessment.

In previous market releases the Company has announced that it would seek to drill up its Far North Queensland gold projects to the point that a total resource of 750,000 ounces of gold existed. With the gold price at such high levels (currently AUD\$1,380) and expectations that the price will continue at these levels, the 750,000 ounces target has been lowered to 600,000 to 650,000 ounces.

The next major step in the BFS process will be the completion of resource upgrades for both Tregoora and Northcote. These are expected shortly.

Following the recent very successful results from the Tregoora drilling, the Company will continue with further rounds of drilling at Tregoora, so that resources can be generated at the prospects identified by this drilling; mainly the Terrace Creek Prospect and the Adam mining lease area.

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

Importantly, late in the December Quarter, the Company commenced Native Title negotiations with Native Title claimant groups in the Tregoora and Northcote Project areas. These initial negotiations have been very positive. The Company has maintained a policy of employing local indigenous field hands since the inception of exploration in the Hodgkinson Basin. This policy should stand the Company in good stead in the current negotiations.

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

Regional Hodgkinson Basin Exploration Programme

In line with its peers in Queensland and given the recent sudden downturn in mineral prices and the difficulty of attracting funds, the Company is looking to severely rationalise its tenement holding in the Hodgkinson Basin. This is likely to see the Company reduce its tenement holding to less than 1,500 square kilometres, down from 3,750 square kilometres reported in the 2008 Annual Report. The EPM annual rentals and expenditure requirements in Queensland are very high compared to New South Wales where no reductions are being considered. This move will provide significant cost savings for the Company in reduced rent and reduced annual expenditure requirements, while still maintaining the areas of highest priority for the Company to continue to build the Company's resource base.

EPM13941 - Fiery Creek Prospect

Geochemical soil sampling results have been returned from a survey at 400 metres x 25 metres spacing. This survey has infilled anomalous sections of a broader BHP soil survey that was conducted in the mid-1990s. The BHP survey was spaced at 800 metres x 100 metres.

An anomaly of +20 parts per billion gold, with associated arsenic anomalism, has been defined in variably sheared quartz-veined meta-sediments over a strike length of 600 metres and with a maximum width of 150 metres. The anomaly includes three peak areas with values ranging from 160 to 270 parts per billion gold.

This main anomaly and several others were defined within a tabular north-south zone that is 2 kilometres long by 0.5 kilometres wide along the Fiery Creek Fault Zone, which lies approximately 2.5 kilometres east of the Cannibal Creek Granite as shown on the attached plan – Figure 6.

Further spot gold-arsenic anomalous areas lie to the west, closer to the granite contact, and to the north. One of these smaller anomalies has a very high peak unsupported value of 5,560 parts per billion gold, or 5.56 grams per tonne gold. Additional in-fill soil sampling and field checking is planned for the 2009 field season.

EPM1228 Golden Drop Prospect

A broad spaced 400 metres x 20 metres geochemical soil sampling programme was conducted for 2.4 kilometres along the NNW-trending Monarch Shear. This shear hosts old shallow gold workings at the Golden Drop, Gold Star and Gold Finger Prospects. Detailed soil sampling at 20-metre centres on traverses spaced at 80 metres or less was carried out over these prospects. A survey with the same grid pattern was also completed over old workings at the Golden Drop Extended Prospect, along a structure trending northeast across the shear, as well as the Golden Eye Prospect to the west. Assay results from the 385 soil samples from these programmes are pending.

Ten vein quartz rock chip samples from the old diggings other than Golden Drop yielded best results of 1.0 to 3.0 grams per tonne gold from each prospect. Sampling by an earlier explorer at Golden Drop yielded similar results.

Future Work Programme at Tregoora

This year's wet season seems to be quite severe. This will curtail fieldwork at Tregoora for the March Quarter. The Company's main objective in the March Quarter is the resource upgrade at Tregoora. When the wet season is finished, drilling programmes will take place at Terrace Creek and on the Adam mining leases.

Future Work Programme at Northcote

This year's wet season will also curtail fieldwork at Northcote for the March Quarter. The Company's main objective in the March Quarter is a resource upgrade at Northcote.

Future Work Programme at Whumbal West

This year's wet season will see no fieldwork at Whumbal West for the March Quarter.

Expenditure

Expenditure for the December Quarter on the Hodgkinson Basin tenements amounted to \$254,000. Expenditure in the March Quarter will be approximately \$200,000.

KANGAROO CREEK TIN PROJECT (QUEENSLAND)

Work During the Quarter

The Company has a Joint Venture with Staldor Mining Pty Limited ("Staldor Mining") to explore and mine on a series of granted exploration and mining leases and lease applications that are highly prospective for tin and other heavy minerals in and around Kangaroo Creek in Far North Queensland. Kangaroo Creek is located south-west of Chillagoe, outside of the Hodgkinson Basin.

During the Quarter, the Company and Staldor Mining Pty Limited completed an aircore drilling programme at the Kangaroo Creek Joint Venture Project (the "**Project**") mining and exploration leases. A total of 116 aircore

holes were drilled totalling 948 metres. This drilling encountered economic minerals at the project being cassiterite, illmenite, monazite and garnet. Prior to the drilling commencing, all historic sampling data from the 1980s was located in the Company's GIS software database.

Over the term of the Quarter the tin price has dropped dramatically like all other metals except gold. At the commencement of the December Quarter the price was approximately AUD\$22,500 per tonne but this dropped to approximately AUD\$17,000 per tonne by the end of the December quarter. This 25% price drop will adversely affect the economics of the Project. The recent results are under review to assess the economics of the deposits defined and the best means to proceed and provide returns to the Company.

Drilling Programme

The 984 metres of drilling was in areas adjacent to previous mining, where sandridge paleo-drainage channels (buried river channels), contain the tin mineral cassiterite and other associated heavy minerals. Apart from the cassiterite, the other minerals include ilmenite and rutile (both titanium minerals), monazite (a mineral containing the rare earth metals thorium, cerium, yttrium and lanthanum) and garnet (a good abrasive and a common replacement for silica sand in sand blasting).

The Company was required to spend an initial \$150,000 on the Project to meet its commitment under the terms of the Joint Venture Agreement. In carrying out this initial drilling programme and other technical work, the Company has expended well in excess of \$150,000. With this expenditure the Company has now secured a minimum of 25% of the Project. The Company is required to expend a further \$875,000 to achieve 51% ownership of the Project.

The following table presents the significant tin intercepts from the Kangaroo Creek drilling, i.e. those in excess of 400 parts per million tin which is equivalent to approximately 1 kilogram of tin as (SnO₂) per cubic metre.

Kangaroo Creek Drilling Details and Significant Intersections

Prospect	Hole ID	Easting Metres	Northing Metres	Depth Metres	Dip Degrees	Azimuth Degrees	Significant Intersection
Kangaroo	KCAC014	185,997	8,059,950	9	-90°	N/A	1m @ 1,060 ppm Sn from 8m
Creek	KCAC019	185,996	8,060,198	7	-90°	N/A	1m @ 2,060 ppm Sn from 6m
	KCAC020	185,998	8,060,251	7	-90°	N/A	1m @ 400 ppm Sn from 6m
	KCAC022	185,998	8,060,350	4	-90°	N/A	1m @ 672 ppm Sn from 3m
	KCAC028	185,749	8,060,246	5	-90°	N/A	2m @ 521 ppm Sn from 3m
	KCAC029	185,750	8,060,206	6	-90°	N/A	1m @ 502 ppm Sn from 4m
	KCAC030	185,750	8,060,150	7	-90°	N/A	2m @ 645 ppm Sn from 5m
	KCAC032	185,748	8,060,049	11	-90°	N/A	1m @ 450 ppm Sn from 9m
	KCAC033	185,745	8,059,997	13	-90°	N/A	2m @ 1,415 ppm Sn from 10m
	KCAC046	185,499	8,060,249	9	-90°	N/A	1m @ 858 ppm Sn from 6m
	KCAC086	185,500	8,060,698	9	-90°	N/A	1m @ 1,555 ppm Sn from 3m
	KCAC087	185,749	8,060,750	9	-90°	N/A	1m @ 488 ppm Sn from 4m
	KCAC088	185,749	8,060,801	12	-90°	N/A	2m @ 885 ppm Sn from 7m
	KCAC089	185,750	8,060,851	11	-90°	N/A	2m @ 613 ppm Sn from 8m
	KCAC094	185,750	8,060,651	5	-90°	N/A	1m @ 511 ppm Sn from 4m
	KCAC095	185,749	8,060,601	4	-90°	N/A	1m @ 675 ppm Sn from 3m

* There are no azimuth readings because the drillholes were vertical.

Metallurgical Testwork Programme

Some preliminary metallurgical testwork has been done on tailings at Kangaroo Creek and on samples from the drilling programme. Final analyses and petrology are required before any definitive answer can be given on the metallurgical recovery of tin and other potentially economic minerals at Kangaroo Creek. From the work done, the potentially economic mineral suite at Kangaroo Creek consists of tin, ilmenite, zircon, monazite and garnet. Preliminary indications are that approximately 80% of the tin from the drill samples can be collected into a concentrate.

Expenditure & Future Programme

Expenditure for the December Quarter on Kangaroo Creek amounted to \$185,000. Expenditure in the March Quarter will be \$25,000.

Future Work Programme at Kangaroo Creek

The metallurgical testwork needs to be finalised and then the economics of the project studied. The Joint Venture has two additional prospects that are prospective for tin; Dickson Creek and Boomerang. Preliminary technical work will be commenced on these prospects while again the wet season will likely preclude any meaningful fieldwork in the March Quarter.

BURRAGA POLYMETALIC & LUCKY DRAW GOLD (NSW) PROJECTS

Work During the Quarter

Following the recognition of metal zoning associated with mineralisation in the Burraga deposit, a review of the geology of what is now viewed as a large mineralised system was undertaken. This work is to assist in exploration targeting and assessment.

Copper/gold mineralisation, previously targeted, is seen to be accompanied by more widespread base metals mineralisation containing lead, zinc and silver mineralisation. Whilst significantly upgrading the scale of the mineralised system at Burraga, these metals also reach potentially economic levels in samples taken to-date.

A respected geological consultant visited Burraga to assess the potential of the project. This consultant has considerable experience in the style of mineralisation found at Burraga. His report has indicated some new directions for mineralisation controls and also supported the significant potential of the Burraga deposit. Resulting from this report, a reassessment of rock types, mineralisation and alteration was conducted including analysis of past and previously untested drilling samples. A new computer model of the deposit will now be constructed to synthesise all of this new data and interpretations, to assist in both shallow and deeper targeting of further drilling that will be done in 2009.

Discussions continued on setting up a project with the CSIRO for Burraga, similar to that successfully used in the Hodgkinson Basin and elsewhere, to define pathways and controls on mineralising fluids in the system. This is a further tool to assist exploration of what is interpreted as a substantial system of mineralisation.

Additional surface sampling was carried out over some previous anomalies to test for extensions of mineralisation away from the past centre of mining and exploration activities. Resurveying was also completed to verify locations of past work and to validate new modelling interpretations.

Figure 7 shows drillhole locations at the Lloyd's Mine at Burraga.

Expenditure & Future Programme

Further drilling is planned to follow up the new base metal zoning and deeper copper-gold zones from the new modelling that is in progress.

Expenditure for the December Quarter on Burraga amounted to \$105,000. Expenditure in the March Quarter is expected to be \$75,000.

AMAYAPAMPA GOLD PROJECT – BOLIVIA

Work During the Quarter

During the Quarter the Company satisfactorily progressed the Amayapampa Gold Project in Bolivia ("Project"). Figure 9 shows the location of Amayapampa.

The Stage Two of the Training Programme for the mine was concluded in late December, with approximately 265 local people involved from the village of Amayapampa and the other surrounding villages. The Training Programme has been an important part of the Company's social work in the communities. The Company is involved in designing Stage 3 of the Training Programme, which will involve hands on experience with earthmoving equipment. Stage 3 is expected to commence in February.

In early October three directors visited Bolivia; the Chairman Mr Peter Wicks, the Managing Director, Mr John Kelly and Non-Executive Director Dato BK Choo. A number of very important meetings were held, particularly with the Vice Minister of Mining and Metallurgy, Sn Eugenio Mendoza. The Vice Minister is totally committed to the Company's success in Bolivia, in particular at Amayapampa. The Vice Minister has been very proactive in his assistance to the Company over the past few months. Subsequent meetings were held with Sn Mendoza on a number of occasions and his support for the Company and Project remain at very high levels.

The Company commenced an 1,800 metre drilling programme at Amayapampa just prior to the start of the December Quarter and by the end of the Quarter 1,440 metres had been drilled. An estimated additional 800 metres should see this programme completed in early February. In tandem with the drilling programme the Company has commenced a surface trenching and pitting programme. Further details of these programmes are given below.

In late January, drillhole RAU02 intersected a zone of quartz-rich mineralisation approximately 5 metres wide and approximately 20 metres outside the currently interpreted mineralised zone. This intersection has significant amounts of visible gold in it. Figure 10 shows a photograph of this intersection.

When the Company purchased Amayapampa it had a measured, indicated and inferred Mineral Resource of 720,000 ounces of gold, as detailed previously. These resource figures did not make allowance for material removed by previous mining and were estimated at a cut-off grade of 0.4 g/t Au. During the Quarter the Company announced a major upgrade of the total Mineral Resources at the Amayapampa Gold Project in Bolivia from 720,000 ounces to 1,084,000 ounces. This figure makes allowance for previous mining deductions and is at a higher cut-off grade of 0.6 g/t Au. This resource is detailed below.

The Company believes these Mineral Resources still have significant potential for expansion. The Project also has significant potential for the discovery of the antimony mineral, stibnite. Amayapampa has been extensively drilled and the extensive underground workings have been sampled as well. Most other necessary other work to complete a Bankable Feasibility Study on the Project such as metallurgical testwork, plant design and environmental studies have been completed on the Project.

Figure 10 shows the Maldonado Drill Rig at Amayapampa with executives and directors of the Company. Figure 11 shows a portion of the mine workforce attending a flag raising ceremony at the mine on Australia Day.

Amayapampa Resource Upgrade

During the Quarter, the Company announced a major upgrade of the total Mineral Resources at the Amayapampa Gold Project in Bolivia ("**Project**") from 720,000 ounces to 1,084,000 ounces. This increases the Company's total Mineral Resources base to 1,582,000 ounces from the previous estimate of 1,218,000 ounces. Details of the new Mineral Resources can be found below.

The Amayapampa Gold Project has an upgraded estimated total Mineral Resources of 1,084,000 ounces of gold, at a cut-off grade of 0.6 g/t Au; an increase of 50%. 62% of these new Mineral Resources are in the high quality measured and indicated categories that are used for ore reserve estimations. The Company believed when it purchased the Project that the previous Mineral Resources were conservative, given the current gold price environment. The previous Mineral Resources were calculated when the gold price was less than US\$350 per ounce and excluded many zones of lower grade mineralisation. Figures 12 and 13 indicate the potential for further increases in the resource.

With the many current predictions of a sustained, near-future gold price in the vicinity of US\$1,000 per ounce, the value of the Project will be significantly higher at these levels. Preliminary cash flow calculations indicate that the Project is very robust at the current gold price. At higher gold prices, the current Mineral Resources cut-off grade of 0.6 g/t Au may be able to be lowered, thus increasing the Mineral Resources.

The new Mineral Resources provide ample scope for extending the Project's scale & mine life.

Republic's Managing Director; John Kelly, said:

"The Company has expended a significant effort on Amayapampa and this increase is the result of a lot of hard work by the Company's Australian and Bolivian employees and consultants. In my recent visits to Bolivia and to the Project, there is increasing support for the Project as the reality of employing 280 people from the local communities on a full-time basis is recognised. It is particularly pleasing that the Government of Bolivia is providing very active and hands-on support to the Company. We still have a number of tasks outstanding, but the spectre of a bigger and a longer life project will only strengthen this support. The Company is in the process of organising a trip of potential financiers for the project from China. If this trip is successful then the Feasibility Study progress might be able to be greatly accelerated".

Mineral Resources Upgrade Details

The previous published Mineral Resource for Amayapampa totalled 16.1 million tonnes at a grade of 1.4 g/t Au, for a total of 720,000 ounces of gold, excluding an allowance for historical mining. The cut-off grade for these Mineral Resources was 0.4 g/t Au. Some time ago the Company remodelled this resource using techniques it believed were appropriate for this style of deposit given the Company's extensive experience with orogenic, sediment-hosted gold deposits. The resultant unpublished Mineral Resources produced a result broadly in line with the published Mineral Resources totalling 720,000 ounces. This gave the Company confidence that the published Mineral Resources were reasonable estimates.

The new Mineral Resources total 26.2 million tonnes at a grade of 1.23 g/t Au, including an allowance for historical mining. The cut-off grade for these Mineral Resources is 0.6 g/t Au, which compares to a cut-off grade of 0.5 g/t Au for the Company's oxide mineralisation in FNQ. The use of this higher cut-off grade is considered conservative until the Bankable Feasibility Study firms up the cost base of the Project. Once this is done the cut-off grade may be lowered with an attendant increase in the Mineral Resources. Much of the increased tonnage lies along the eastern side of the mineralised body and is in the inferred category due to the drillhole spacing being insufficient to move this material into the higher confidence categories.

The current drilling programme will provide a greater density of drill coverage, as many holes are being drilled from the western side of the hill, but further drilling will be needed to move a large portion of this material into the higher confidence categories.

The new Mineral Resources estimate has included a number of lower grade intersections that had been previously excluded from the resource estimates. The inferred portion of the resources reflects geologically continuous mineralisation and has a reasonable probability of being economically viable. Inferred resources as defined by the North American consultants in previously published Mineral Resources have been severely restrictive. The Company believes its approach is entirely appropriate and is in line with the resource estimates for the Company's FNQ projects.

The current surface channel sampling and shallow drilling programmes will enable the near surface material to be upgraded in confidence. Given the close spacing of this programme this should mean that the initial 15 to 20 vertical metres of the mineralisation will probably be able to be nearly all categorised as measured. This sample spacing will effectively mean that the first 10 vertical metres of the mineralisation will be grade controlled to allow for immediate mining. This is the first step in the next phase for the Project where it will move into the Pre-Construction Phase.

In remodelling the Mineral Resources, the Company and its Independent Resource Consultant have had to be careful in the treatment of the numerous very high grade underground channel samples. The best underground channel samples are 5 metres at 127.1 g/t Au and 20 metres at 40.6 g/t Au. These are part of a suite of better than 10 g/t Au, mostly 5 metre intervals, which are spatially well represented over a 400 metre strike length and 150 metre depth. The Company ensures the high grade components of its estimates are low risk through rigorous geostatistical assessment. The global mean grade of these new Mineral Resource estimates is on par with previous estimates, yet a more conservative grade top-cut of 15.5 g/t Au is employed compared to the previous top-cut of 40 g/t Au.

Amayapampa Pre-Construction Phase

The surface sampling programme discussed below is the commencement of the Pre-Construction Programme for the Project. This sampling programme is the equivalent of a grade control programme for the first bench of the pit. Over the March 2009 Quarter, this Pre-Construction Programme will be accelerated with works planned for the access roads to and in and around the site, commencement of topsoil stripping, bund construction around the pit boundary, levelling of the treatment plant site and building construction.

Amayapampa Drilling & Surface Sampling Programme

During the September Quarter, the Company commenced an 1,800 metre diamond drilling programme and surface sampling programme at the Amayapampa Gold Project in Bolivia. During the December Quarter a total of 1,440 metres was drilled. Some drillholes have been terminated prematurely because the drill has encountered old workings that could not be penetrated. Hence, a portion of the programme has been redesigned.

The aim of the drilling programme is to check a number of high grade channel samples in the orebody and to extend the mineralisation to depth where a small number of drillholes and one channel sample indicate that the mineralisation has good potential for extensions at depth. Ten drillholes are planned, with the longest hole being 230 metres.

A surface sampling programme was commenced in the December Quarter using 25-metre spaced trenches running across the mineralisation. During the December Quarter a total of 254 metres of trenches were dug. Late in the Quarter a series of 5-metre shafts was commenced replacing a previously planned short drillhole programme. This work will be combined with surface mapping to provide better definition of the mineralisation at surface. This will also assist with mine planning by giving the Company's technical staff the best information about the near-surface mineralisation so that the most optimal area of mineralisation can be chosen for the commencement of mining operations.

A number of drilling and trenching results have been received from the analysis laboratory, although with some drillholes the Company has yet to receive complete analysis results. The results that have been received to-date are in the process of being accessed.

The Company considers that at current gold prices, any upgrade of the inferred material below the base of the pit to the measured or indicated categories enhances the potential for a much larger open pit. This could then feed into a longer life and much larger project. As part of the Amayapampa Bankable Feasibility Study, the Company is working with Denver-based engineering firm Lyntek to investigate the potential of doubling the treatment throughput from 2,400 tonnes per day to 4,800 tonnes per day. If this is possible, the project economics will be greatly enhanced. Following the current drilling programme the Company will upgrade the resource model for Amayapampa.

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

The Company has engaged an experienced local drilling contractor, Maldonado Drilling, to carry out the programme. Maldonado's drilling crew have performed in an exemplary fashion, particularly in dealing with the old underground voids. Figure 10 shows the drill rig.

Amayapampa Tailings Dam & Water Studies

The Company is using Worley Parsons Komex ("WPK") of Canada to assist in the location and design of a new tailings dam at Amayapampa to replace the dam originally chosen by Vista Gold Corp. The Company believes that the new site will have significant cost and social benefits.

WPK has produced a preliminary tailings dam wall design. WPK is also working on water supply issues for the mine, with investigations into potential groundwater sources for the mine's water supply. The wet season at Amayapampa this year is significant, with a recently installed weather station providing valuable data to assist WPK in its work. WPK has designed four water boreholes which will be drilled at the conclusion of the current exploration programme.

Metallurgical Testwork

The Company's metallurgical consultant has recommended that further metallurgical testwork be done utilising new technology. The samples for this programme will be sourced from the current drilling programme and from earlier drilling.

Work Required to Progress the Project

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

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

- Continue the workers' training programme.
- Review the geological block model constructed by the Company.

- Finalise pit optimisation and mine scheduling work.
- Complete a study on the new tailings dam.
- Update the operating and capital costs for the project.
- Gain a sign-off on the study by an independent consulting firm.
- Complete the new metallurgical testwork.
- Finalise issues with the metallurgical processing route and plant design.

Current Local and Federal Political Situation and Inward Investment into Bolivia

Over recent months, Bolivian politics has seen its normal ups and downs. None of the more problematic incidents have had any adverse impact on the Company's activities or the Project. On a very positive note, the Company's employees at the Project defied a request from their national union to march to La Paz a few weeks ago to support the Government's activities. Their loyalty to the Project, that has been engendered by the full-time Training Programme, is very evident.

Some opposition to the Project from local groups continues. This is being openly agitated by Mrs G Radic who is suing the Company's Bolivian subsidiary over the ownership of the Project, as disclosed in the Company's initial announcement about the purchase of Amayapampa. The Company considers that the litigation is completely without merit. The Company believes it has the complete support of the Federal Bolivian Government and the Government of the Department of Potosi for its involvement in the Project.

On Sunday 25th January 2009 Bolivia voted for a new constitution, the cause of some disruption around the country over previous months. No similar disruption was reported by the Bolivian media during the election.

As the Company has previously reported, there is continual and significant inward investment into Bolivia, mainly from North American companies. Coeur d'Alene Mines Corp. has recently commissioned its US\$174M San Bartolome Silver Project in Potosi. Apex Silver Mines Limited has been operating its +US\$900M San Cristobal Silver Project for approximately 12 months. The recent transfer of 100% ownership of San Cristobal from Apex to Sumitomo Metals was not driven by political issues in Bolivia. In 2006, Atlas Precious Metals Inc. signed a joint venture contract with the Bolivian state mining company, COMIBOL, to put into operation the Karachipampa smelting complex with Atlas proposing an investment of US\$141M. Eighteen months ago Jindal Steel and Power Ltd. from India announced a +US\$2B deal with the Bolivian Government for the El Mutun iron ore project.

The Company continues to actively pursue other mineral projects in Bolivia.

Expenditure & Future Programme

Expenditure for the December Quarter on Amayapampa and other Bolivian interests amounted to \$1,165,000. Expenditure in the March Quarter will be approximately \$750,000 as the Company continues the training programme at the mine, completes the 1,800 metres drilling programme, completes the water bore drilling programme and progresses the Bankable Feasibility Study.

CALLABONNA URANIUM (SA) PROJECT

Progress During the Quarter

Due to the recent adverse market conditions, the IPO of Callabonna Uranium Limited ("Callabonna") has been postponed to a date to be fixed.

RESOURCE STATEMENT & JORC CODE COMPLIANCE STATEMENTS

Mineral Resource Statement

Gold Resources

	MEASURED		INDICATED		INFERRED		TOTAL		
	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	GOLD
	('000)	Au g/t	('000)	Au g/t	('000)	Au g/t	('000)	Au g/t	Ounces
TOTAL NORTHCOTE ¹	1,300	2.3	1,060	1.8	640	1.8	3,000	2.0	195,000
TOTAL TREGOORA ¹	---	---	1,610	1.8	1,240	1.6	2,850	1.7	156,000
ATRIC ¹	---	---	890	1.9	50	1.7	940	1.9	57,000
REEDY-HURRICANE ¹	---	---	---	---	800	1.3	800	1.3	33,000
TOTAL HODGKINSON BASIN	1,300	2.3	3,560	1.8	2,730	1.5	7,590	1.8	441,000
TOTAL LUCKY DRAW NSW ^{1,2}	---	---	180	2.2	490	2.9	670	2.7	57,000
AMAYAPAMPA ^{1,2}	4,390	1.7	10,400	1.3	11,400	1.1	26,190	1.3	1,084,000
TOTAL MINERAL RESOURCES	5,690	1.8	14,140	1.4	14,620	1.2	34,450	1.5	1,582,000

Antimony Resources

	MEASURED		INDICATED		INFERRED		TOTAL		
	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES
	('000)	Sb %	('000)	Sb %	('000)	Sb %	('000)	Sb %	Sb
TOTAL NORTHCOTE³	1,300	0.3	1,060	0.2	640	0.3	3,000	0.3	8,000*

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

Notes:

¹ Figures are Republic's equity share of these projects, being 100% of Amayapampa, 100% of Tregoora, 75% of the Northcote and Lucky Draw projects and 90% of the Atric and Reedy Projects.

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

³ Antimony resources are within the gold resource (i.e. reported using the gold cut-off grades).

Amayapampa, Far North Queensland and Lucky Draw Resource Estimation Parameters

Location	Grade Interpolation Method	Section Spacing Metres	COG g/t Au Oxide	COG g/t Au Sulphide	Oxide Density	Sulphide Density
HODGKINSON BASIN						
Northcote ¹	Ordinary Kriging	25	0.5	1.0	2.0	2.7
Tregoora	IDW ²	25	0.5	1.0	2.0	2.7
Atric	IDW ²	25	N/A	0.5	2.5	2.5
LUCKY DRAW						
Lucky Draw West	Contoured WAA	--	N/A	0.5	2.5	2.5
Hackney's Creek Upper Pod	Sectional WAA	25	N/A	0.5	2.5	2.5
Hackney's Creek Lower Pod	Sectional WAA	25	N/A	1.0	2.5	2.5
BOLIVIA						
Amayapampa ¹	Ordinary Kriging	10 to 50	0.6	0.6	2.4	2.75

¹ Top cuts of 30 g/t Au for East Leadingham and 15 g/t Au for Emily and Emily South were applied to composite grades for grade estimation with all other deposits at Northcote using 10 g/t Au top cuts. A top cut of 15.5 g/t Au was applied to the Amayapampa model.

Notes Accompanying The Mineral Resources Statement

Information in this report that relates to the Amayapampa, Northcote and Tregoorra Mineral Resources for Republic Gold Limited is based on information estimated by Kerrin Allwood, Republic Gold's Independent Resource Consultant and a member of the Australasian Institute of Mining and Metallurgy. It is also based on information from Neb Zurkic and Chris Roberts, respectively Republic Gold's Technical Director and Chief Geologist, both members of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Kerrin Allwood, Neb Zurkic and Chris Roberts have a minimum of five years experience in the estimation, assessment and evaluation of Mineral Resources and Ore Reserves. Kerrin Allwood, Neb Zurkic and Chris Roberts 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". Kerrin Allwood, Neb Zurkic and Chris Roberts consent to the inclusion in this report of these matters based on the information in the form and context in which it appears.

Corporate

Chinese Co-Operation Negotiations

For the past 12 months, the Company has been in co-operation discussions with a major Chinese company that is interested in the Company's assets and a potential investment in the Company. In Late-October the Company's Non-Executive Director, BK Choo, visited China to hold further discussions with the Chinese company. Subsequent to Dato Choo's visit, a confidentiality agreement was been signed with a Chinese party.

Luzon Minerals Limited Litigation

Following the receipt by the Company of a derisory offer of settlement from Luzon Minerals, the Company has put forward a counter offer to Luzon Minerals.

Directors' Share & Option Transactions

During the Quarter, an Appendix 3Y was released for the Chairman, Mr Peter Wicks, acquiring 1,000,000 shares and selling 700,000 shares.

Following the conclusion of the 30 November 2008 Options series, a number of directors increased their shareholdings in the Company by way of exercising these options.

Zeus Gold Pty Limited, an entity associated with two of the Company's directors, Messrs Kelly and Barns, exercised 9,079,235 2.5 cent options during the Quarter. This represented 100% of the options that Zeus Gold owned. An entity associated with the Chairman, Mr Peter Wicks, exercised 100% of its options during the Quarter, representing 475,000 new shares.

Exercise of Options

During the Quarter the 30th November 2008 Options series closed. This was a very successful fund raising for the Company. More than \$600,000 was raised in the final week before these options expired. In total, nearly 85% of the Options were exercised raising the Company approximately \$3.5M.

Republic's Managing Director; John Kelly, said:

"The Company is extremely pleased with the results of the expiring Options issue. This Options issue has proven to be a very successful fund raising mechanism. The fact that over \$600,000 was raised in the final week before the expiry date in a terribly severe bear market underscores the significant potential of the Company's projects in the opinion of optionholders. The Company now has approximately \$4.6M in cash. I spoke to or was in email contact with a number of optionholders so I know the pain that is being felt with the current market conditions. A number of optionholders really had to bite the bullet to find the funds to exercise their options. I thank all optionholders who clearly have faith in the Company's strategy and projects and understand that many optionholders who couldn't exercise some or all of their options were not in a position to do so because of the prevailing market conditions. I'm also very pleased that Zeus Gold, a Company associated with some of the directors, was able to exercise 100% of its options and regain its position as the No 1 shareholder in the Company."

At the end of the Quarter, the Company had 751,134,164 shares on issue.

New Issue of Options Announced

In late-November 2008, the Company announced its intention to issue a prospectus for a pro-rata non-renounceable rights issue of New Options to all shareholders (the "Offer"). The prospectus is being finalised and will be made available at the time these securities are offered.

The Offer structure considered at the time of the announcement was 1 New Option for every 2 Shares held, a likely Option price of 0.3 cents and an exercise price is likely to be 3.0 cents, with the exercise date being 18 months after issue. The Directors are reviewing this offer structure.

Any eligible shareholder who wants to acquire these New Options will need to complete the application form that will be in or accompany the prospectus when it is issued.

General Meeting and Annual General Meeting

On 27 October 2008, the Company held a General Meeting in Mareeba. A total of eight resolutions were put to shareholders and all passed on a show of hands at the meeting. The resolutions included the re-election of and issuance of a total of 16,000,000 options to two directors, Mr Zurkic and Dato Choo, the ratification of a placement made in 2007, the ratification of a placement made to Staldor Mining Pty Limited as part of the purchase price of the Kangaroo Creek Tin Project, an approval to place shares to Mr Noel Adam upon finalisation of the transaction involving the purchase of four mining leases owned by Mr Adam at Tregoora and an approval to issue a further 107,000,000 shares within three months of the meeting, such time now having expired without any further shares being issued.

On 27 November 2008, the Company held its Annual General Meeting in Mareeba. A total of three resolutions were put to shareholders and all passed on a show of hands at the meeting. The resolutions included the remuneration report, the re-election of the Chairman, Mr Peter Wicks, and an increase in the remuneration for non-executive directors.

Cash Assets

Cash on hand at the end of the December Quarter was approximately \$4,087,000.

Top 20 Shareholders

The following tables show the Company's Top 20 Shareholders as of 31 December 2008.

Rank	Shareholders	Shares	Percentage
1	Zeus Gold Pty Limited	51,322,705	6.83%
2	Nefco Nominees Pty Ltd	44,617,000	5.94%
3	Citicorp Nominees Pty Limited	43,422,786	5.78%
4	Bell Potter Nominees Ltd <BB Nominees A/C>	29,790,688	3.97%
5	ANZ Nominees Limited <Cash Income A/C>	26,767,906	3.56%
6	HSBC Custody Nominees (Australia) Limited	21,145,559	2.82%
7	DMG & Partners Securities PTE LTD <Clients A/C>	17,161,444	2.28%
8	Mr Siew Wah The	13,500,000	1.80%
9	Mr Yew Meng Chay	12,000,000	1.60%
10	Merrill Lynch (Australia) Nominees Pty Limited	11,629,750	1.55%
11	Mr Wee Lock Ho	10,250,000	1.36%
12	Mr Chew Lai Ooi	10,000,000	1.33%
13	Phillip Securities PTE LTD	8,927,332	1.19%
14	Mr Swee Pook The	7,100,000	0.95%
15	DBS Vickers Securities (Singapore) PTE LTD <Client A/C>	6,555,000	0.87%
16	Boom Securities (HK) LTD <Clients A/C>	6,537,785	0.87%
17	Palazzo Nominees Pty Ltd <Palazzo Investments A/C>	6,500,000	0.87%
18	Ms Hwei Chin Toh	6,984,646	0.80%
19	CIMB-GK Securities PTE LTD <Client A/C>	5,437,297	0.75%
20	Mr Yi Ming Tan	5,485,722	0.73%
Total		345,135,620	45.85%



John Kelly
Managing Director
REPUBLIC GOLD LIMITED

Corporate Information

Directors

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

Exploration & Development Team

Neb Zurkic, Technical Director
Chris Roberts, Chief Geologist
Trevor Jackson, FNQ Exploration Manager
FNQ - Susan Brickl, Chris Jelonek, Ian Wilson, James Astor, Denise Cochrane, Jodie Simpson, Dallas Cox and Kerrin Allwood

Bolivia – Maria Esther Jitton, Juan Cabrera, Herbert Chavez, Ademar Pinto, Yurko Santa Cruz, Javier Miranda, Maria Renee Rojas and Maria Renee Mier

Company Secretary

Roslynn Shand

Registered Office & Operations Office

144 Cobra Road, Mareeba
PO Box 2314 Mareeba Queensland 4880
Telephone: + 61 7 4092 2594
Facsimile: + 61 3 4092 3797
Email: jkelly@republicgold.com.au

Stock Exchange Listing

Australian Stock Exchange
Ordinary Shares Code **RAU**

Shares on issue – 751,134,164 ordinary shares

Unlisted Options on Issue –

- ◆ 3,000,000 options exercisable at 20 cents expiring 30 June 2009.
- ◆ 26,000,000 Options exercisable at 6.25 cents expiring 10 October 2010.
- ◆ 10,650,000 Options exercisable at 3.75 cents expiring 17 October 2010.
- ◆ 16,000,000 Options exercisable at 6.25 cents expiring 27 October 2011.

Web Site

www.republicgold.com.au

Shareholder Enquiries

Link Market Services Limited
333 Collins Street, Melbourne
GPO Box 2785
Melbourne Vic 3001
Telephone: + 61 3 9615 9999
Facsimile: + 61 3 8614 2903
Web site: www.linkmarketservices.com.au

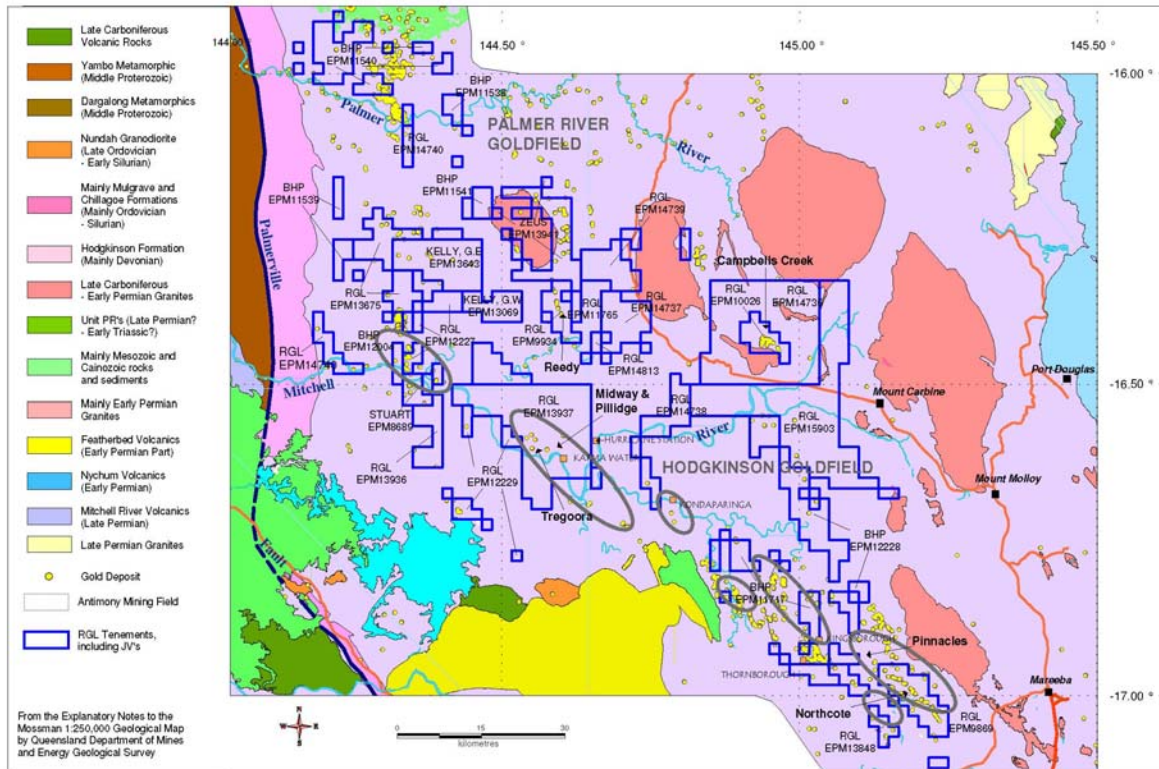


Figure 1 - The Company's Hodgkinson Basin Tenements

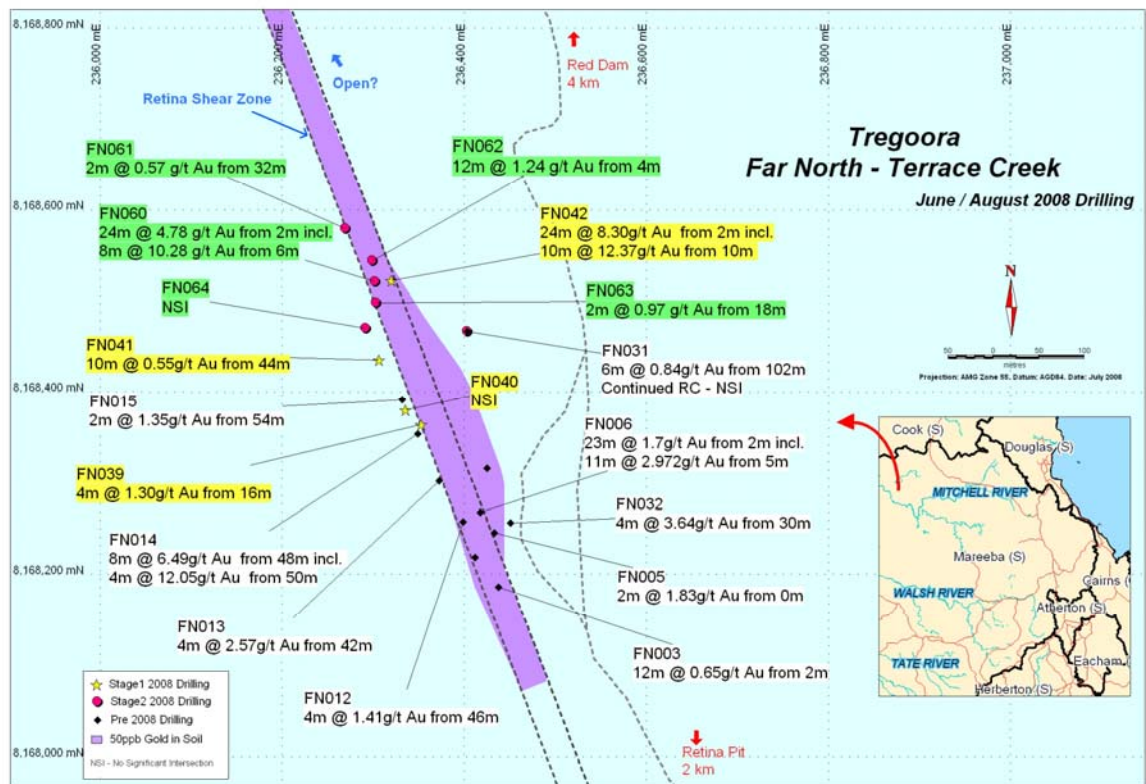
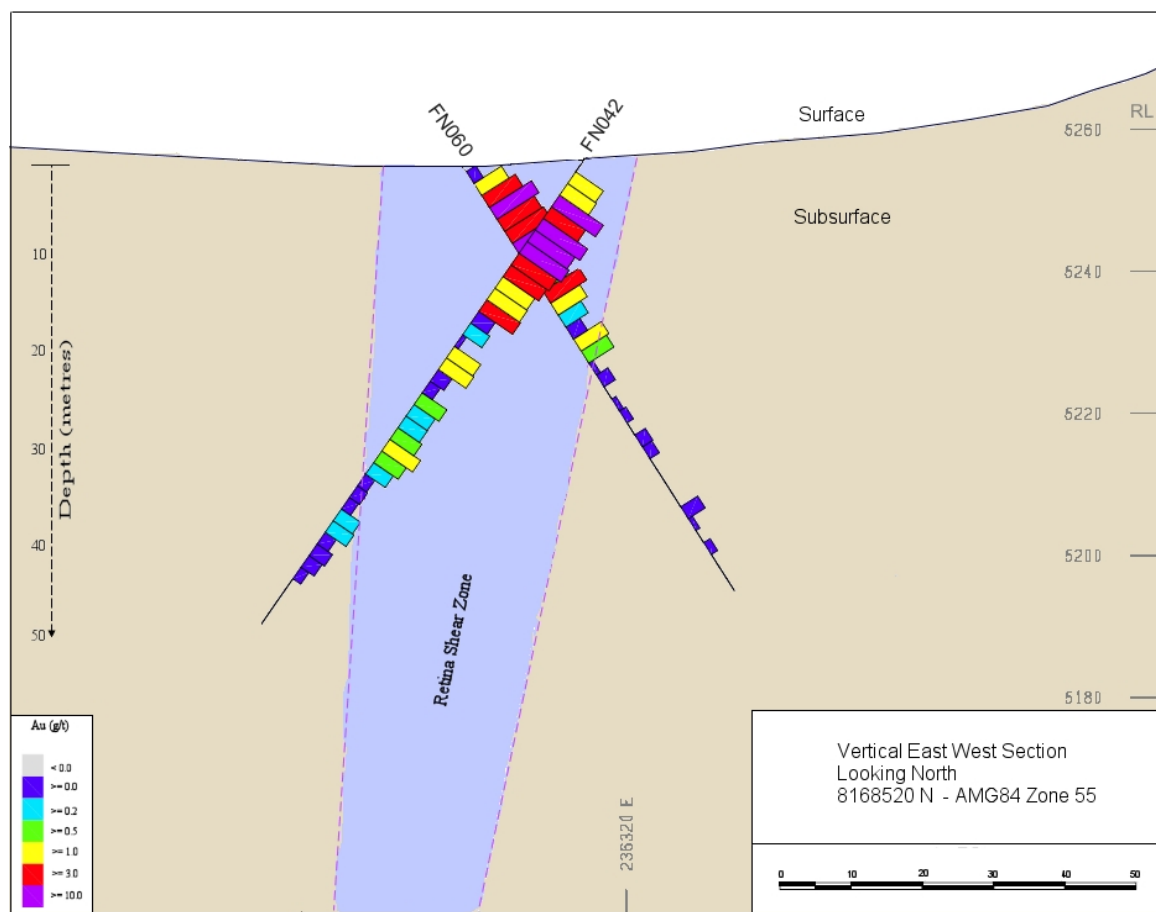


Figure 2 - Drillhole Details at the Terrace Creek Prospect at Tregora



**Figure 3 - Drilling Cross-Section 8,168,520 mN
With Bonanza Drillholes FN042 & FN060**

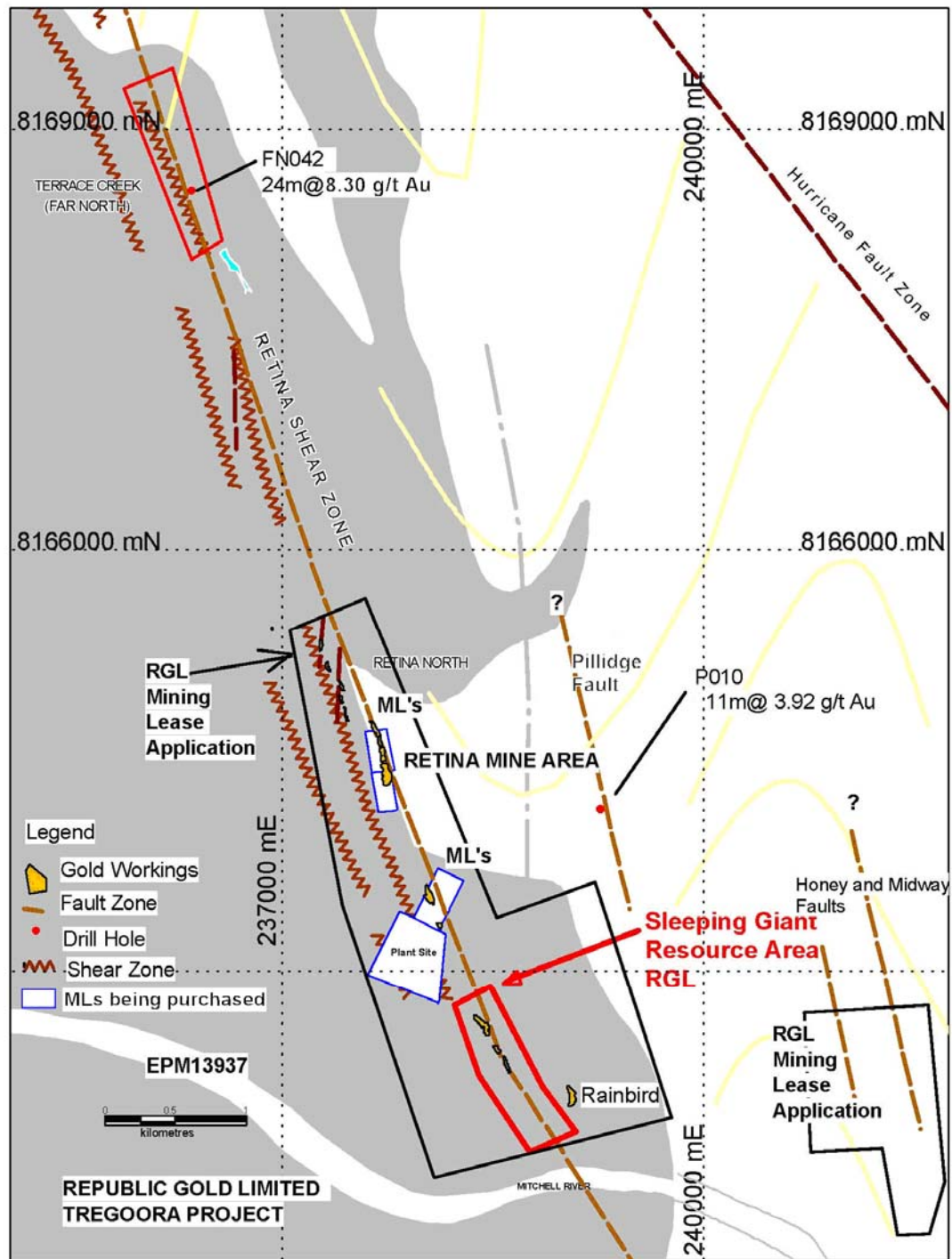


Figure 4 - Location Map of Tregoora Showing the Four Adam Mining Leases Centrally Located Within the Company's Main Mining Lease Application Area at Tregoora

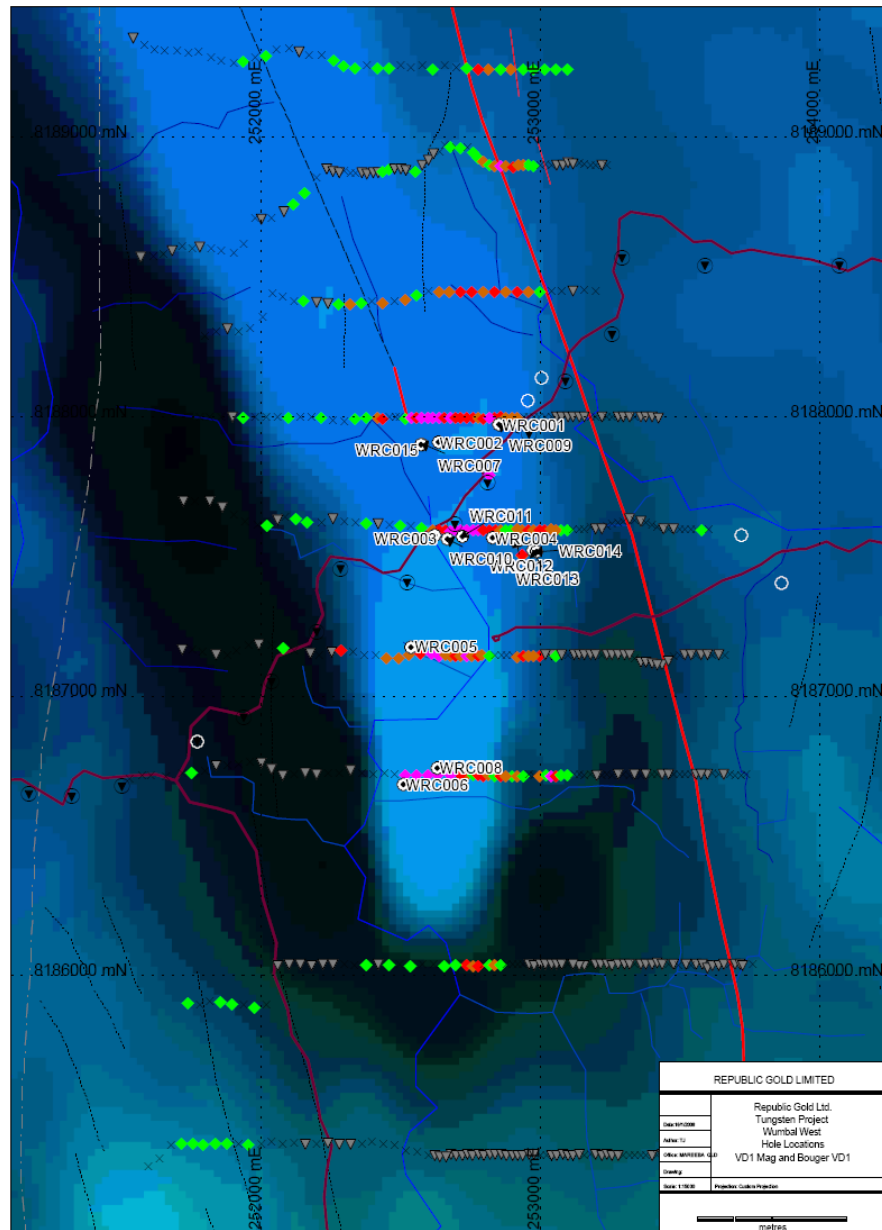


Figure 5 – Composite Plan Showing 2007 Whumbal West Drillhole Locations Overlaid on the Geochemical Anomaly (Lines with Diamonds and Triangles) With The First Derivative of the Aeromagnetic and Gravity Signature Showing Correlation of All Features and Indicating the Proposed Synclinal Structure (Dark U Shape).

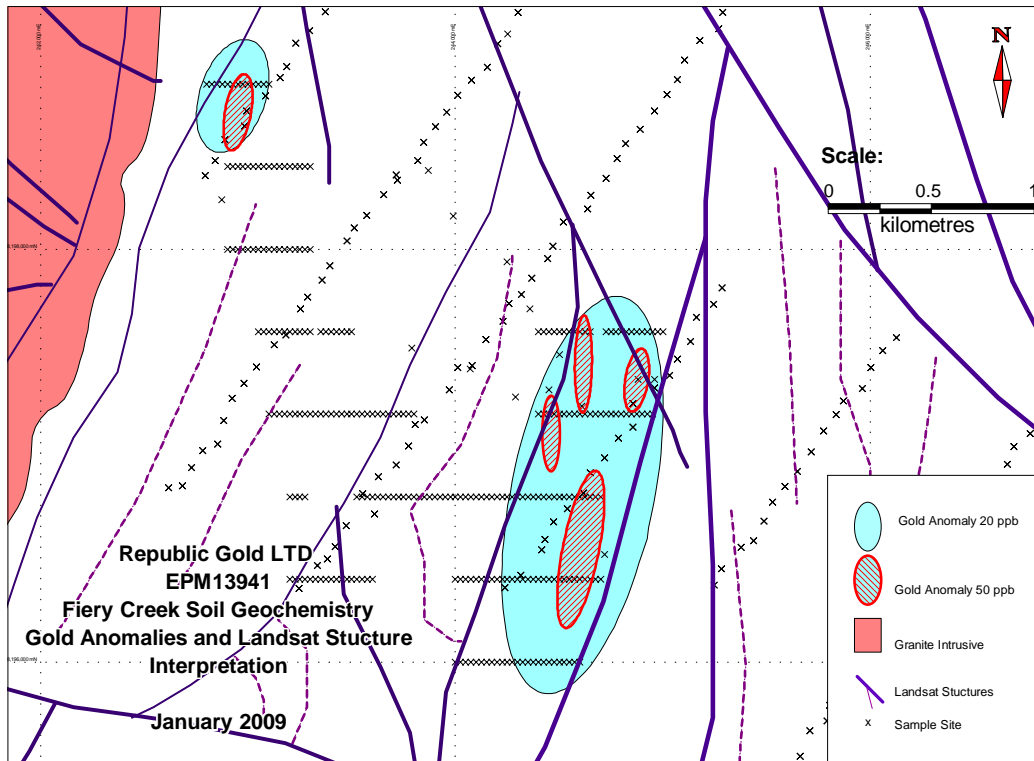


Figure 6 – Firey Creek Gold Prospect Anomalies

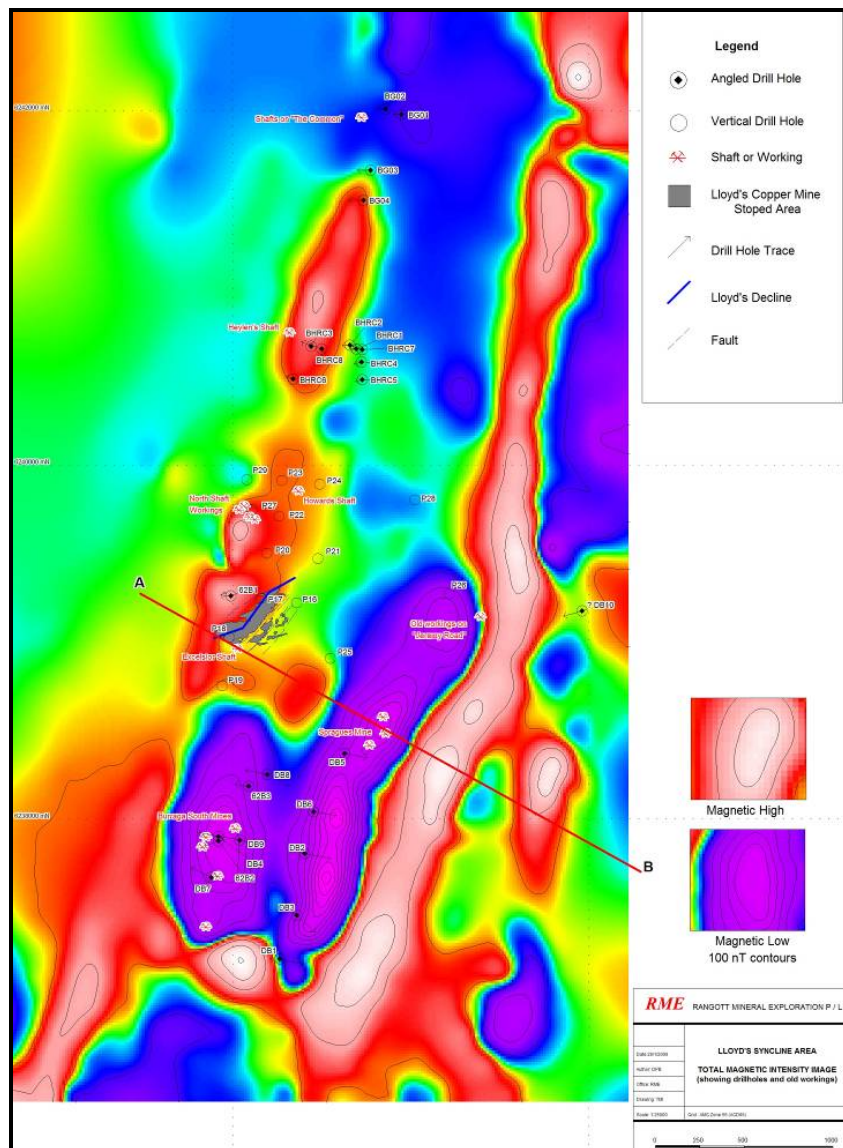


Figure 7 – Lloyd's Mine Drilling Locations at Burraga



Figure 8 – Location Map For Amayapampa



Figure 9 – New Visible Gold Intersection in Amayapampa Diamond Drillhole RAU02 With 3 Metres in the Nearest Tray and 2 Metres in the Furthest Tray



Figure 10 –The Maldonado Drill Rig at Amayapampa With From Left Ms Maria Esther Jitton (Executive President of Minera Nueva Vista SA, BK Choo, Peter Wicks, Juan Cabrera (General Manager – Operations) and John Kelly



Figure 11 – Australia Day Flag Raising Ceremony ay Amayapampa

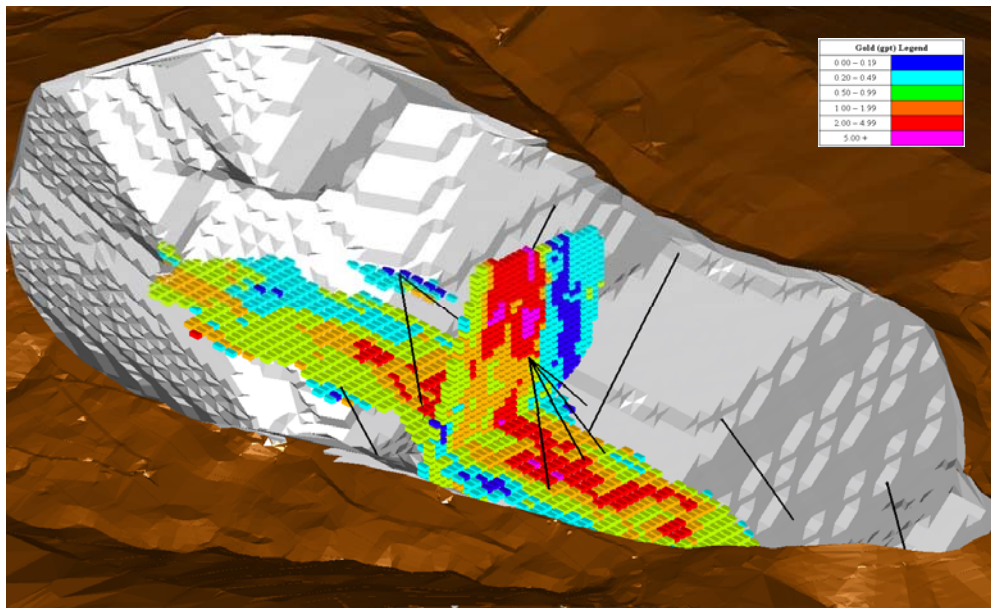


Figure 12 – Updated Block Model Showing One Bench & One Cross-Section of Blocks Inside An Economic Pit Calculated at US\$850/oz Gold Using The Previous Resource Model. Figure Also Shows Traces (In Black) of Current Drilling. The Pit Has A Strike Length In Excess of 750 Metres. Looking Towards Azimuth 035° (NE) & Downwards At 25°

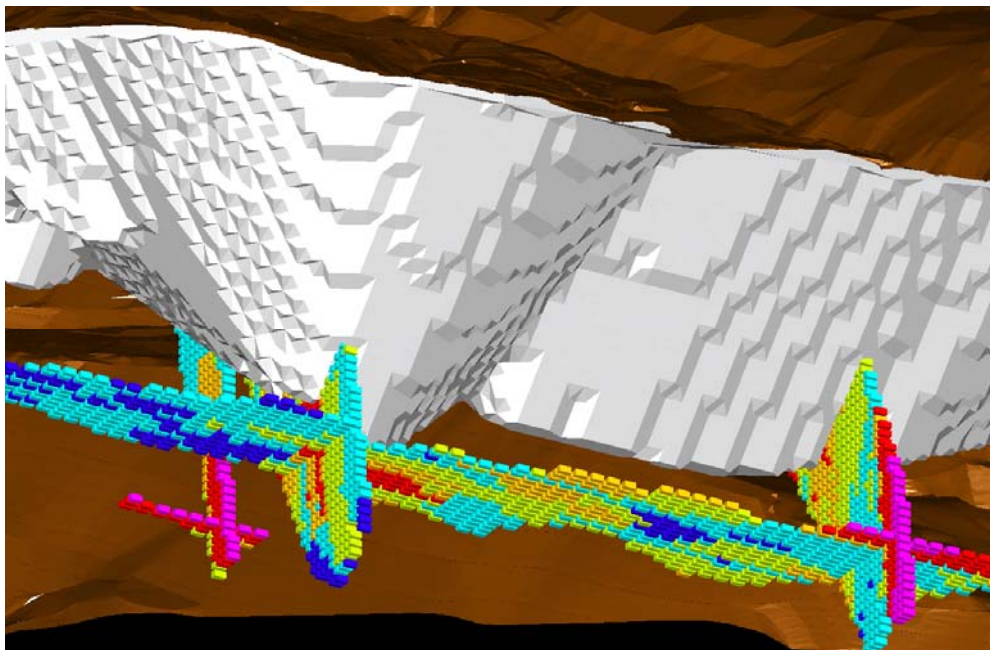


Figure 13 – One Bench & Two Cross-Sections Showing Blocks Representing Greater Than 5 g/t Au (In Magenta) Below The US\$850/oz Gold Optimised Pit Demonstrating Further Potential At Depth Below The North & South Ends Of The Pit. Each Block Is 10 x 5 x 5 Metres (Length x Width x Depth). Looking Towards Azimuth 100° (ESE) And Upwards At 25°.



Figure 14 –Old Workings on the Surface of the Amayapampa Deposit Showing the Width of the Mineralisation



Figure 15 –Part of the Workforce Involved in the Surface Pitting Programme

1.0 APPENDIX 5B

.1 MINING EXPLORATION ENTITY QUARTERLY REPORT

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

Name of entity

REPUBLIC GOLD LIMITED

ABN

86 106 399 311

Quarter ended ("current quarter")

31 December 2008

.1.1 Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(659)	(1,776)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(449)	(757)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	87	266
1.5	Interest and other costs of finance paid	-	(87)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	38
	GST (Paid) Refund	(28)	5
	Net Operating Cash Flows	(1,049)	(2,311)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	157	157
	(c)other fixed assets	-	-
1.10	Loans to other entities	(1,050)	(1,606)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(893)	(1,449)
1.13	Total operating and investing cash flows (carried forward)	(1,942)	(3,760)

1.13	Total operating and investing cash flows (brought forward)	(1,942)	(3,760)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	829	981
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(376)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	829	(605)
	Net increase (decrease) in cash held	(1,113)	(3,155)
1.20	Cash at beginning of quarter/year to date	5,200	7,242
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,087	4,087

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	195
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1	Exploration and evaluation
	500
4.2	Development
	550
Total	1,050

.2 RECONCILIATION OF CASH

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	448	538
5.2 Deposits at call	3,639	4,661
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,087	5,200

Changes in interests in mining tenements

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

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺ securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 ⁺ Ordinary securities	751,134,164	751,134,164		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	34,845,451 2,222,222	34,845,451 2,222,222	2.5 cents 9 cents	2.5 cents 9 cents
7.5 ⁺ Convertible debt securities (description)	-			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-			

7.7	Options (description and conversion factor)	3,000,000 26,000,000 10,650,000 16,000,000		Exercise price 20 cents 6.25 cents 3.75 cents 6.25 cents	Expiry date 30/06/2009 10/10/2010 17/10/2010 27/10/2011
7.8	Issued during quarter	16,000,000		6.25 cents	27/10/2011
7.9	Exercised during quarter	34,845,451	34,845,451	2.5 cents	-
7.10	Expired during quarter	27,151,802	27,151,802	2.5 cents	-
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

COMPLIANCE STATEMENT

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

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



Sign here: Date:30 January 2009.....
(Director)

Print name: .John Kelly.....

NOTES

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

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

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

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

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