

7 October 2010

Gold One receives credit approval for US\$65 million loan facility to meet its obligations under its existing convertible bonds

Gold One International Limited (ASX and JSE: GDO) is pleased to announce that the company has received credit approval from two leading international banks – Absa Capital (a division of Absa Bank Limited) and BNP Paribas – for a US\$65 million loan facility.

Gold One believes a debt facility is the most effective form of refinancing the company’s convertible bonds and that it presents the best bond refinancing option for existing shareholders. The loan will ensure Gold One has the capacity to refinance all of its convertible bonds in December 2010, should its bondholders exercise their once-off put option.

The facility has a maximum term of four-and-a-half-years with interest and capital payments only commencing in June 2011. Capital payments will be structured to take into account the ramp up of production at Modder East. The facility will bear interest at a market related rate based on USD London Interbank Offered Rate (‘LIBOR’), which is currently 0.3%. Gold One will enter into a hedging program typical for a facility of this nature.

The advance of the facility is subject to conclusion of legal documentation and the fulfillment of certain conditions precedent. Key outstanding conditions precedent include: the amendment of and obtaining of consent for the cession of several agreements of the Modder East mine; the obtaining of certain additional insurances commonly required for a project finance facility; and exchange control approval from the South African Reserve Bank for a US dollar denominated loan.

Gold One President and Chief Executive Officer Neal Froneman comments: “I am delighted that we have reached this definitive stage, providing much needed certainty around the refinancing of the convertible bonds. We have always maintained that a pure debt facility is the most appropriate solution given the solid fundamentals of our flagship Modder East mine, which underpins the loan facility. Our next stage will be to ensure we receive a firm commitment from our bondholders as to what their intentions are, whereafter the company will be able to focus fully on strategic initiatives currently underway.”

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Issued by Gold One International Limited
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About Gold One

Gold One is a gold producer listed on the financial markets operated by ASX Limited (the Australian Securities Exchange) and JSE Limited (the Johannesburg Stock Exchange), issuer code GDO. Its flagship operation is the newly built shallow Modder East mine on the East Rand, some 30 kilometres from Johannesburg. Modder East is the first new mine to be built in the region in 28 years and distinguishes itself from most of the other gold mines in South Africa owing to its shallow nature (300 metres to 500 metres below surface), having to date provided direct employment opportunities for over 1,100 people.

Gold One also owns the nearby existing Sub Nigel mine, which is used primarily as a training centre in the build-up of the Modder mine to full production. Its other projects and targets include Ventersburg and Bothaville, both in the Free State Goldfields, the Tulo concession in Mozambique and the Etendeka greenfields project in Namibia. Gold One has an issued share capital of 805,894,985 shares.

About Absa Capital

Absa Capital, a division of Absa Bank Limited (Absa) and affiliated to Barclays Capital, is a leading South African investment bank with global reach, offering clients financing, risk management and advisory solutions in a wide range of currencies and structures across the globe.

About BNP Paribas

BNP Paribas) is one of the six strongest banks in the world within its peer group, according to Standard & Poor's, and a leading European provider of financial services on a worldwide scale. It ranks highly in its three core activities: retail banking, investment solutions, and corporate and investment banking, which includes a dedicated group specialising in providing structured finance solutions to the metals and mining industry.

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