

29 November 2010

Gold One Production Guidance and Operational Update

Highlights

- Production guidance of 120,000 gold ounces confirmed for 2011
- Further production growth in 2012 confirmed with production guidance of 150,000 gold ounces
- Modder East cash cost guidance of US\$417 per ounce confirmed for 2011
- Gold One remains on track for 20,000-22,000 ounces of gold production for the December 2010 quarter
- Deflections for exploration boreholes DD68 and DD69 at Modder East intersect gold at 275 grams per tonne and 24 grams per tonne over a 1 m stoping width respectively, confirming original high grade gold intersections
- Updated gold resources have been completed for Modder East and Ventersburg and are currently being audited by SRK Consulting, with this review anticipated to be completed in early December

1. Production Guidance

Gold One International Limited (ASX and JSE: GDO) is pleased to provide its gold production guidance for 2011 of 120,000 ounces. The company anticipates improving on current annualised levels of 90,000 ounces, further growing its production profile during 2011 as outlined below.

- March quarter -- 25,000 ounces
- June quarter -- 28,000 ounces
- September quarter -- 34,000 ounces
- December quarter -- 33,000 ounces (traditionally a weaker quarter as effects of the festive break are taken into account).

Gold One anticipates reaching its steady state target of 150,000 ounces during the 2012 financial year.

Cash costs are forecast to average US\$417 per ounce for 2011. Capital expenditure for Modder East for the year is expected to be US\$42-million, equating to a capital cost of US\$350 per ounce for 2011. Capital costs over the life of the mine remain unchanged at approximately US\$100 per ounce. Included in the total capital cost is US\$21-million of development capital. Total costs will therefore be US\$767 per ounce.

Gold One is expecting earnings of US\$59-million in 2011, based on consensus broker views of the gold price and exchange rates (US\$1,234 per ounce and ZAR7.69/US\$1, respectively) after an amortisation cost of US\$17-million based on the current published Modder East reserve and mine plan. With 806.9-million shares in issue, Gold One forecasts US\$0.07 earnings per share. All costs take into account latest real prices for goods and services, the anticipated wage increase as negotiated in April of this year, and inflation rate forecasts of 5%.

Gold One President and Chief Executive Officer Neal Froneman commented: "The extensive planning and budgeting process that has been completed at Modder East has incorporated experience gained over the past 18 months of production, providing a confident growth plan for the next 24 months. Gold One already has the lowest cash costs out of South African producers, which is all the more pleasing as it is being achieved at only 30% of designed tonnage throughput. This positions the company to be extremely competitive by international standards, and to deliver strong cash flows from operations over the coming years as production continues to ramp up."

2. Operational Update

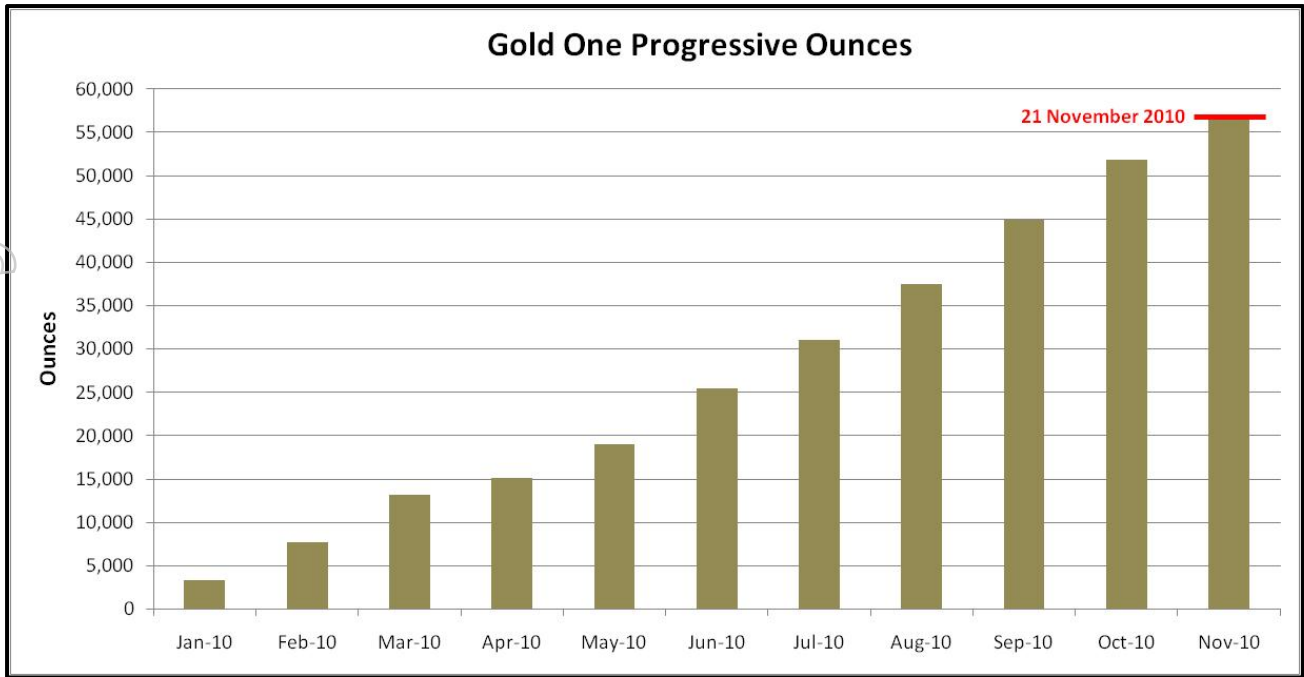
2.1 Safety

Gold One continues to have an excellent safety performance with a progressive lost-time injury frequency rate for the 2010 year of 0.46 per 200,000 hours, well below the Australian benchmark of 1, against which Gold One rates itself.

2.2 Fourth Quarter 2010 Production

Production for the December 2010 quarter is on track and in line with the forecast of 20,000-22,000 ounces. Production during the fourth quarter to 21 November 2010 has so far totalled 11,887 ounces.

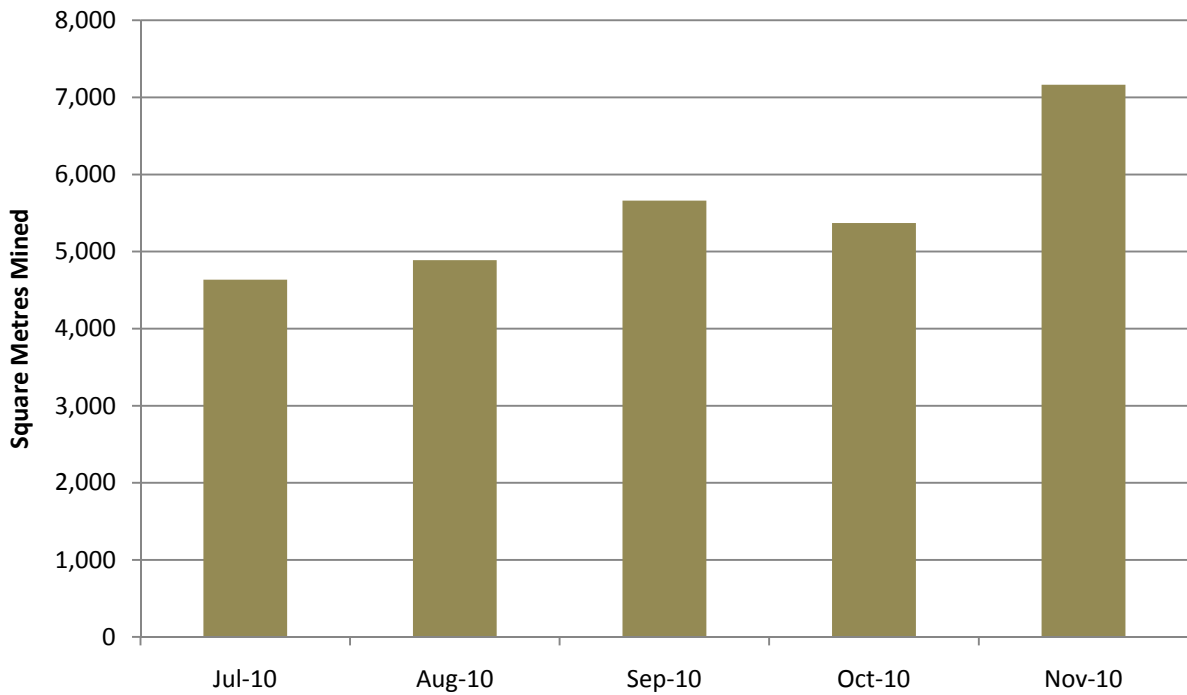
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At the beginning of the 2010 fourth quarter, mining was being undertaken on a total of 37 panels. This increased to 40 panels by the end of October and during this month a further 4 panels have been equipped and are coming into production. Of the 44 panels now being mined, approximately one-third are still at an early ledging stage (new faces which are planned at lower production levels while being established) and production levels from these panels are anticipated to increase during December 2010 and January 2011.

The continued build up in mining panels as well as increasingly established mining teams in the North 2 production area are ensuring continued improvement in production rates. The total area mined during November will be in excess of 7,000 m², an improvement of approximately 25% compared to the 5,660 m² mined in September. As a result, the average tonnage treated from Modder East on a daily basis increased to in excess of 1,200 tonnes per day during November. Recovered grades remained steady having averaged 6.80 grams per tonne for Modder East during October.

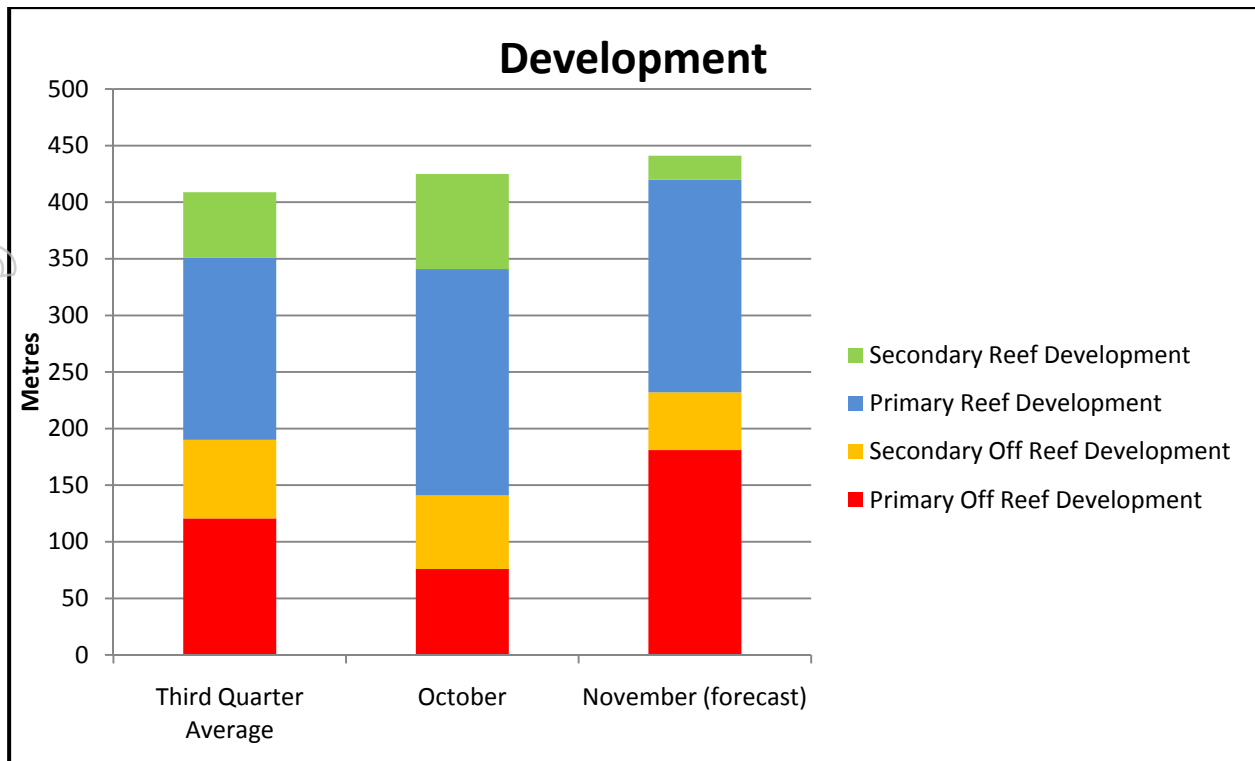
Modder East: Square Metres Mined



Development rates for the quarter to date have been maintained at between 400 m and 450 m per month. As discussed in this year's report for the third quarter, development prioritisation has been on opening up additional reef sections to support the continued ramp up in production levels. With this having been successfully achieved, development focus is now shifting to off-reef infrastructure development (as can be seen from the November development figures forecast shown in the graph below), which is required to support the medium and longer term production build up and ultimately to also provide flexibility once steady state production levels have been attained.

A significant advancement in attaining increased levels of development has been the introduction of the first 50-tonne payload dump truck (compared to the 30-tonne payload trucks which are being utilised currently). The new 50-tonne payload dump truck was commissioned on 17 November and has been committed to tramming development rock from the primary off-reef development ends. This initiative has allowed for enhanced efficiency of rock removal from blasted development ends, thus facilitating regular blasting cycles.

An internal rock pass arrangement will also be completed during December. This system will minimise the double handling of blasted rock and thus further enhance efficiencies associated with off-reef development.



Despite the increased throughput in the Modder East plant, excellent metallurgical recoveries have been maintained between 95% and 96%. Commissioning of the gravity circuit commenced during November and is anticipated to be completed during December.

CEO Neal Froneman commented: "Although it took longer than anticipated to establish mining in the new Raise Line 2 area, I am delighted in the quantum increase in production since September 2010. The continued build up of gold production and consistent metallurgical recovery demonstrate the positive, low risk fundamentals of Modder East and firmly position the company to continue this growth into 2011. Importantly, Modder East has achieved this growth with an impeccable safety record."

3. Resources and Reserves and Modder East Exploration Drilling Results

As highlighted in an announcement released on 10 November 2010, Gold One has reported on exploration drillholes DD68 and DD69. DD68 has gold grades of 177.1 grams per tonne over a channel thickness (true thickness) of 72 cm, equating to 127.2 grams per tonne over a 1 m mining width. DD69 has gold grades of 37.3 grams per tonne over 56 cm, equating to 20.9 grams per tonne over a 1 m mining width.

In addition to the original intersections detailed above, a further deflection for both DD68 and DD69 has been drilled. Gold One is pleased to advise that the deflection from borehole DD68 intersected 358.9 grams per tonne over a channel thickness (true thickness) of 77 cm, equating to 275.3 grams per tonne over a 1 m mining width. The DD69 deflection contained 44.1 grams per tonne over 55 cm, equating to 24.1 grams per tonne over a 1 m mining width (refer to table below).

The announcement released on 10 November 2010 and the September 2010 quarterly report provide further information and results regarding the 2010 Modder East exploration drilling programme.

BH_ID	Reef	Depth Intersected (m)	Dip Corrected			
			Channel Thickness (cm) ¹	Grams per Tonne ²	cm.g/t	Grams per Tonne over 100 cm Mining Width ³
DD68_D0	BPLZ	262.29	72	177.14	12,723	127.23
	Channel Facies	263.01	553	0.59	328	
DD68_D1	BPLZ	261.98	77	358.90	27,530	275.30
	Channel Facies	262.75	412	1.14	471	
DD69_D0	BPLZ	261.89	56	37.32	2,085	20.85
	Channel Facies	262.45	427	6.00	2,563	
DD69_D1	BPLZ	263.19	55	44.10	2,412	24.12
	Channel Facies	263.74	422	5.15	2,173	

¹ Channel thickness represents the true, dip corrected thickness of the BPLZ/Channel Facies, rounded off to the nearest centimetre. Dip corrections are undertaken based on dip measurements from core bedding angles, which typically vary between 1 and 4 degrees.

² Represents the average grade over the true thickness of the total BPLZ/Channel Facies calculated using a weighted average of assayed grade from individual samples over the total channel thickness (individual sample lengths are typically between 15 cm and 30 cm).

³ Represents the average grade over a mining thickness of 100 cm, diluted at 0.0 grams per tonne. Resources are determined and quoted over a minimum 100 cm mining cut.

Updated resources have been completed for Modder East and Ventersburg and are currently being audited by SRK Consulting. The SRK auditing process is anticipated to be completed in early December 2010. At Modder East, the associated reserves and mine plan have also been updated on the basis of the new resources. As described in this year's September quarterly report, the results of DD68 and DD69 have been received only recently, and such will not be incorporated into the upcoming resource estimate. The results have, however, been utilised to complete an updated geological and associated exploration model, which has formed the basis of a continued exploration programme in the north-eastern areas of Modder East. Mining in this area is only scheduled for 2013 and as such this drill programme will commence in January 2011. Once the shoreline extension in this area has been definitively explored and modelled; these findings will be incorporated into existing resource estimates and associated reserves.

CEO Neal Froneman commented: "The confirmation of the high grade intersections in our most recent boreholes provide further evidence of an extension to the high grade Shoreline Facies in the north-eastern areas of Modder East. This drilling has further confirmed the high quality and the continuous nature of the Black Reef orebody that underpins our flagship mine."

*September quarterly report can be obtained from www.gold1.co.za.

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About Gold One

Gold One is a gold producer listed on the financial markets operated by the ASX Limited and the JSE Limited, issuer code GDO. Its flagship operation is the newly built shallow Modder East mine on the East Rand, some 30 km 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 m to 500 m below surface). To date Modder East has 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 Modder East to full production. Gold One's other projects and targets include Ventersburg in the Free State Goldfields, the Tulo concession in Mozambique and the Etendeka greenfield project in Namibia. Gold One has an issued share capital of 806,875,987 shares.

This news release does not constitute investment advice. Neither this news release nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of securities in any jurisdiction.

FORWARD-LOOKING STATEMENT

This release includes certain "forward-looking statements" and "forward-looking information". All statements other than statements of historical fact included in this release including, without limitation, statements regarding future plans and objectives of Gold One are forward-looking statements (or forward-looking information) that involve various risks, assumptions and uncertainties. There can be no assurance that such statements will prove to be accurate and actual values, results and future events could differ materially from those anticipated in such statements. Important factors could cause actual results to differ materially from Gold One's expectations. Such factors include, among others, the actual results of exploration activities, actual results of reclamation activities, the estimation or realization of mineral reserves and resources, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of Modder East and new deposits, availability of capital required to place Gold One's properties into production, the ability to obtain or maintain a listing in South Africa, Australia, Europe or North America, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of gold and other commodities, possible variations in ore grade or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental approvals, political risks, permits or financing or in the completion of development or construction activities, economic and financial market conditions, Gold One's hedging practices, currency fluctuations, title disputes or claims limitations on insurance coverage. Although Gold One has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended.

Any forward-looking statements in this release speak only at the time of issue. There can be no assurance that such statements will prove to be accurate as actual values, results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Gold One does not undertake to update any forward-looking statements that are included herein, or revise any changes in events, conditions or circumstances on which any such statement is based, except in accordance with applicable securities laws and stock exchange listing requirements.

COMPETENT PERSON

The information in this release that relates to exploration results, mineral resources or ore reserves is based on information compiled by Dr Richard Stewart, who has a doctorate in geology and who is a professional natural scientist registered with the South African Council for Natural Scientific Professions (SACNASP), membership number 400051/04. Dr Stewart is also a member of the Geological Society of South Africa (GSSA) and the vice president of geology for Gold One, with which he is a full-time employee. He has 10 years' experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person for the purposes of both the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and the 2007 Edition of the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code). Dr Stewart consents to the inclusion in this release of the matters based on information compiled by Gold One employees and its consultants in the form and context in which they appear. Further information on Gold One's resource statement is available in the pre-listing statement of Gold One International Limited issued on 19 December 2008 and in the resource statements released by Gold One on the Stock Exchange News Service (SENS) on 11 and 13 October 2010 concerning the company's Megamine and Goliath Gold Mining Limited respectively.