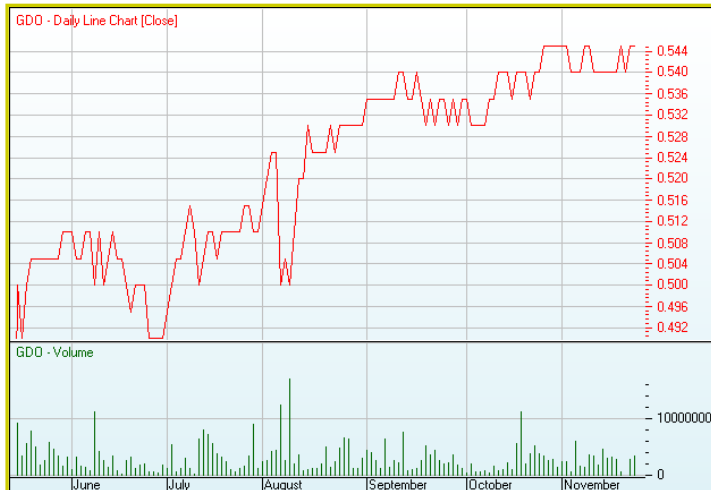


Goldletter INTERNATIONAL

the international independent information and advice bulletin for gold and related investments

Special Situation – November 2011 Update

www.gold1.co.za



Gold One International Ltd. (A\$ 0.54)

ASX / JSE : GDO
OTCQ : GLDZY

H+L prices (12 months) : A\$ 0.55 – 0.28

Net shares issued : 809.3 million

Fully diluted shares : 1,046.7 million

(incl. 157 million shares from conversion of convertible bonds at US\$ 0.38 per share – 2012 maturity)

Market Capitalization : A\$ 437.0 million

Next price target: A\$ 1.00

Company profile

Gold One International (“Gold One”) is an Australian and African gold producer listed on the ASX and JSE. The Company was created via inward listing of Gold One – formerly BMA Gold – on the Johannesburg Securities Exchange (JSE) and the subsequent acquisition by Gold One of all the issued ordinary shares in Aflease by way of a scheme or arrangement in May 2009.

Gold One’s flagship property is the newly built shallow depth **Modder East Mine** on the East Rand, located some 30 kilometres from Johannesburg.

The Mine has recently updated JORC compliant Probable and proven reserves of 11.93 million tonnes grading 4.0 g/t with a total gold content of 1.53 million ounces. In addition, total JORC compliant Indicated and Inferred resources are 3.13 million and 1.21 million ounces, respectively.

Having started gold production at Modder East in June 2009, the Company produced 17,040 ounces and 66,445 ounces in 2009 and 2010, respectively. Total production for the March, June and September 2011 quarters amounted to 89,827 ounces of gold.

In the September quarter gold production increased 23% to 35,128 ounces, exceeding guidance of 34,000 ounces.

This positions Gold One well to achieve a production target for 2011 of at least 120,000 ounces of gold.

September 2011 Quarter Key Performance Data
(Average Exchange Rate of ZAR 7.13 / US\$ 1)
(June 2011 Quarter Average Exchange Rate of ZAR 6.75 / US\$ 1)

September 2011 Quarter	Modder East	Sub Nigel	Total	June 2011 Quarter
Ore Mined Underground	182 908 t	5 157 t	188 065 t	164 939 t
Mined Grade	8.39 g/t	2.93 g/t	8.24 g/t	6.89 g/t
Milled Tonnes	155 471 t	6 293 t	161 764 t	157 883 t
Recovered Grade	6.89 g/t	3.30 g/t	6.75 g/t	5.62 g/t
Gold Recovery	96%	92%	96%	96%
Gold Produced	34 460 oz	668 oz	35 128 oz	28 511 oz
Modder East Cash Cost*	US\$ 478/oz			US\$ 541/oz
Modder East Cash and Capital Cost	US\$ 777/oz			US\$ 879/oz
Group Development and Capex	US\$ 10.70 million			US\$ 9.36 million
Group Gold Revenue	US\$ 59.72 million			US\$ 43.08 million
Average Gold Price Received	US\$ 1 710/oz			US\$ 1 501/oz

*Cash cost refers to all costs directly associated with mining activities, mine administration, processing and refining.

In October 2010, Gold One announced the spinning out of its Megamine assets pursuant to a transaction with White Water Resources which will create **Goliath Gold Mining**, a new medium-depth gold explorer and development company with a 12.65 million ounce gold resource.

Fulfilment of remaining conditions of the transactions has been extended from September 30, 2011 to January 31, 2012.

Gold One's other projects and targets include **Ventersburg** located in the Free State goldfields, the **Tulo concession** in Mozambique and the **Etendeka** greenfields project in **Namibia**.

On April 28, 2011, Gold One announced that it has made a binding offer to acquire 100% of **Rand Uranium** for US\$ 250 million (ZAR 1.68 billion) in cash that has been accepted by Pamodzi Uranium, Pamodzi Coke and Armgold/Harmony joint ventures, joint owners of Rand Uranium.

Rand Uranium is an established shallow gold operation, which produced 163,000 ounces of gold in 2010 at approximately US\$ 1,222 per ounce. The acquisition is in line with Gold One's stated strategy of mining shallow, low technical risk gold resources.

The acquisition will enhance Gold One's **production profile to some 300,000 ounces per annum**, while adding some 3 million ounces of gold mineral (ore) reserves, as well as 13.5 million ounces of gold mineral resources.

Additionally, the acquisition of Rand Uranium will allow Gold One the unique opportunity to consider gold and uranium co-product optimization when undertaking production planning, given Rand Uranium's extensive uranium mineral resource (approximately 90 million pounds) and mineral (ore) reserve (**approximately 41 million pounds**).

The ability to consider uranium extraction as a co-product to gold significantly reduces the cash cost per ounce of gold production.

Gold One has secured a US\$ 210 million underwritten facility from Investec Bank, which will be available to fund part of the purchase price of US\$ 250 million.

Attractive Gold Portfolio

GOLD ONE

- Resource base of +21 Moz, including 8.60 Moz in measured and indicated category*
- Reserve base of 1.53 Moz *

* See detailed resource and reserve table in presentation



Producing Assets with a Strong Project Pipeline

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On May 16, 2011, Gold One announced that it had signed a Transaction Implementation Agreement with a Consortium of Chinese investors to become the Company's long term, strategic partner and major shareholder. As announced on April 21, 2011, the Consortium, comprising Baiyin Non-Ferrous Group (60%), the China/Africa Development Fund and Long March Capital Group (10%) had already secured 17.64% of Gold One from Africa Global Capital for A\$ 75.6 million. The Consortium has entered into the transaction through a special purpose vehicle, BCX Gold Investment Holdings ("Bidco").

Through a series of independent transactions including an offer for A\$ 150 million (ZAR 1.1 billion) capital injection in Gold One at A\$ 0.40 per share and a share offer at A\$ 0.55 per share (ZAR 4.08), which represents a premium of 37% above the Company's latest closing price before the cash offer was made, the Consortium plans to achieve a 60% to 75% shareholding in the Company.

As part of the independent transaction structure, the Consortium via Bidco, will make a cash offer to all Gold One shareholders at A\$ 0.55 (ZAR 4.08) per Gold One share allowing those shareholders who wish to exit the opportunity to do so in a clean and value accretive manner.

The Consortium may subscribe for up to an additional 188.7 million shares in Gold one at A\$ 0.53, should the initial subscription by the Consortium and acceptance of the A\$ 0.55 per Gold One share cash offer not result in the Consortium achieving an aggregate interest of 60% in Gold One's ordinary share capital in issue on a fully diluted basis.

On October 19, 2011, Gold One announced that it had been informed by the Consortium that it has received approval to proceed with the transaction from the National Development and Reform Commission of China, one of the key Chinese government approvals required by the Consortium and a major condition precedent to completion of the transaction.

On October 26, 2011, Gold one announced that BCX Gold had received approval from the Australian Foreign Investment Review Board for the transaction.

The offer period has been extended to December 15, 2011 due to the regulatory approvals in China taking longer than anticipated.

Overview of Projects

➤ Modder East Project, East Rand, Gauteng Province

The Modder East Mine is the first new gold mine built on the Eastern Rand in 28 years and is situated approximately 30 kilometres to the east of Johannesburg, located in one of South Africa's richest historic gold mining districts. Both the Black Reef and the UK9a Kimberley Reef will be mined, with the mine design encompassing a shallow underground mine (300 metres to 530 metres below surface) with a dedicated gold treatment facility with a production capacity of 100,000 tonnes per month.

In 2010, Gold One produced 66,445 ounces of gold. Current cash costs are approximately \$ 483 per ounce. In the third quarter of 2011, the average price received was US\$ 1,710 per ounce resulting in gold revenues of US\$ 59.72 million, an operating cash flow of US\$ 41.86 million and a net US\$ 18.18 million cash flow.

Production for the three quarters of 2011 is 89,827 ounces of gold, which positions Gold One well to achieve its production target for 2011 of at least 120,000 ounces of gold.

On December 15, 2010, Gold one announced updated mineral resources and ore (mineral reserves) for the Modder East Gold Mine. Total reserves have increased by 13% from 1.36 million ounces (7.65 million tonnes at 5.51 g/t) to 1.53 million ounces (11.93 million tonnes at 4.0 g/t).

Measured and Indicated mineral resources increased by 19% from 2.63 million ounces (including 28.83 million tonnes at 2.84 g/t) to 3.13 million ounces (including 46.12 million tonnes at 2.11 g/t).

Inferred mineral resources have increased by 16% from 1.04 million ounces 14.98 million tonnes at 2.16 g/t) to 1.21 million ounces (20.73 million tonnes at 1.81 g/t).

As a result of the updated production profile and increases in reserves, the mine life at Modder East has been extended by five years to a total life of 13 years.

Flagship Modder East Mine

GOLD ONE



- Construction capital cost of US\$ 108 million (US\$ 70.50 per reserve ounce)
- First gold pour ahead of schedule in July 2009
- Commercial production 5 months later
- Achieved positive cash flow 6 months after first gold pour
- 66,445 ounces produced in first full year of operation (2010)
- 89,827 ounces for year to date

➤ **Ventersburg Project, Witwatersrand Basin, Free State Province**

The Ventersburg Project is situated in the Witwatersrand Basin in Free State Province, east of the main Freestate Goldfields, located approximately 25 kilometres southeast of the city of Welkom.

The project area is located within a northerly trending graben structure, which is bounded to the west by the Virginia Fault and to the east by the Ventersburg Fault.

On December 7, 2010, Gold One announced a 70% increase in the Ventersburg Indicated resource to 20.42 million tonnes at 3.70 g/t per tonne for 2.45 ounces of gold.

This increase is largely result of the success of Ventersburg’s 2009 and 2010 surface exploration drilling campaigns.

Inferred resources have decreased by 22% to 13.44 million tonnes at 3.31 g/t for 1.44 million ounces of gold.

The area now has a total resource of 33.86 million tonnes at 3.65 g/t for 3.89 million ounces.

At Ventersburg the A Reef horizon forms the primary gold target and extends from a depth in the Indicated resource area of approximately 350 metres to 1,100 metres below surface at an average dip of 17 degrees to the north-west.

The additional drilling information has significantly increased the total area considered for the Indicated resource estimation and has also allowed for confident geological modelling, facilitating the definition of higher grade (pay shoot) areas relative to lower grade areas.

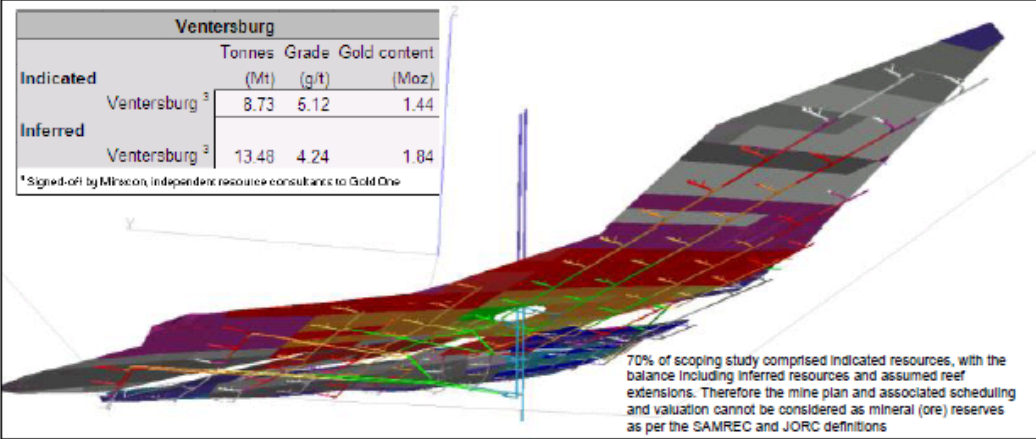
A shallow extension to the eastern-most payshoot at Ventersburg was modelled and drilling within this area continued during the September quarter. This drilling program has been completed in October and will be utilised to update the existing resource estimate and will form the basis of an updated pre-feasibility to be completed by December 2011.

Ventersburg Scoping Study GOLD ONE

- LOM – 11 years
- Peak annual production – 157,000 ounces
- Average cash costs over LOM – US\$379/oz*
- Capital cost – US\$215-million
- Metallurgy – conventional carbon-in-leach (CIL) extraction
- First gold production – targeted for 2015

Ventersburg			
	Tonnes (Mt)	Grade (g/t)	Gold content (Moz)
Indicated			
Ventersburg ³	8.73	5.12	1.44
Inferred			
Ventersburg ³	13.48	4.24	1.84

* Signed-off by Murexcon, independent resource consultant to Gold One



70% of scoping study comprised indicated resources, with the balance including inferred resources and assumed reef extensions. Therefore the mine plan and associated scheduling and valuation cannot be considered as mineral (ore) reserves as per the SAMREC and JORC definitions

Our Next Shallow Flagship Project *ZAR8.81/US\$

Modelling of selective mining practices, associated with increases in mined grade, can now be performed ore confidently on the new resource.

During the September quarter five boreholes were completed comprising 5,492 metres at a total cost of US\$ 0.96 million.

This resource underpins a pre-feasibility study on Ventersburg currently being conducted by Turgis Consulting, which will be completed during the last quarter of 2011.

➤ **Megamine assets**

On October 13, 2010, Gold One announced that pursuant to a transaction with **White Water Resources** (WWR – JSE) it will create **Goliath Gold Mining**, a new medium-depth gold explorer and development company with a 12.65-million ounce gold reserve.

Gold One will acquire control of investment holding company White Water Resources through the sale of its Megamine assets, after which White Water Resources will be renamed Goliath Gold.

Megamine, located east of Johannesburg, comprises Gold One's operating Sub Nigel Mine and the Vlakfontein, West Vlakfontein and Spaarwater prospecting areas, totalling 16,056 acres.

Megamine will be vended into White Water Resources in return for 1.05 billion White Water Resources shares of ZAR 0.25 each, crystallising ZAR 260 million (A\$ 38.6 million) of value for the Megamine assets for Gold One.

Following completion of the deal and the restructuring of the various entities, Gold One will hold 71% of Goliath Gold, while existing shareholders of White Water Resources will own 29%.

A 10:1 consolidation of White Water Resources' shares has taken place.

The transaction is expected to be concluded during the beginning of 2012.

The transaction maintains Gold One's focus on developing its shallow low cost ounces, as well as its strong operational cash flows, while unlocking value in Gold One's deeper resources.

The transaction is expected to be concluded by the end of January 2012 and is subject to a number of terms and conditions.

In October 2010, Gold One announced a 115% increase in the audited resources of its Megamine assets. The Indicated resource has increased from 0.31 million ounces (2.98 million tonnes at 3.21 g/t) to 3.02 million ounces (21.55 million tonnes at 4.36 g/t).

Inferred resources have increased from 5.58 million ounces (50.64 million tonnes at 3.46 g/t) to 9.63 million ounces (64.62 million tonnes at 4.64 g/t).

Resources are determined and quoted in accordance with JORC/SAMREC.

The majority of the Megamine resource (83%) comprises the Main Reef, estimated to a maximum depth of approximately 2,500 metres below surface, while the balance includes the Big Pebble Marker Reef, estimated between depths of approximately 500 metres and 1,200 metres below surface.

During the September quarter exploration, drilling and geological modelling continued at the Megamine Project under the control and management of Goliath Gold.

Gold One International Consolidated Mineral Resource Statement				
		Tonnes (Mt)	Grade (g/t)	Gold Content (Moz)
Measured	Modder East ^{1,2}	0.29	16.25	0.15
	Total Measured:	0.29	16.25	0.15
Indicated	Modder East ^{1,2}	45.83	2.02	2.98
	Megamine ³	21.55	4.36	3.02
	Ventersburg ⁴	20.42	3.70	2.45
	Total Indicated:	87.80	2.99	8.45
	Total Measured and Indicated:	88.09	3.03	8.60
Inferred	Modder East ²	20.73	1.81	1.21
	New Kleinfontein and Tumbridge ⁵	4.27	6.00	0.83
	Ventersburg ⁴	13.44	3.31	1.44
	Megamine ³	64.62	4.64	9.63
	Total Inferred:	103.06	3.95	13.11
	Total Measured, Indicated and Inferred: ⁶	191.15	3.53	21.71

¹ Mineral Resources are quoted inclusive of ore reserves.

² Signed-off by Minxcon, independent resource consultants to Gold One, audited by SRK Consulting (SA).

³ Signed-off by Dr I.C. Lemmer and Minxcon, independent resource consultants to Gold One, audited by SRK Consulting (SA).

⁴ Signed-off by Dr I.C. Lemmer, independent resource consultant to Gold One, audited by SRK Consulting (SA).

⁵ Signed-off by Camden Geoserve Close Corporation, independent resource consultants to Gold One, audited by SRK Consulting (SA).

⁶ Mineral Resources are reported in accordance with SAMREC guidelines (estimates would be identical if reported in accordance with JORC standards).

Gold One International Mineral (Ore) Reserve Statement ^{1,2}				
		Tonnes (Mt)	Grade (g/t)	Gold Content (Moz)
Probable	Modder East			
	Proved Reserves	0.24	10.90	0.08
	Probable Reserves	11.69	3.86	1.45
	Probable and Proved Reserves	11.93	4.00	1.53

¹ Signed off by Turgis Consulting, independent resource consultants to Gold One, audited by SRK Consulting (SA).

² Ore (Mineral) Reserves are reported in accordance with SAMREC guidelines (estimates would be identical if reported in accordance with JORC standards).

➤ Rand Uranium, West Rand

On May 24, 2011, Gold One announced that subsequent to a competitive sales process it had signed a Sale of Shares Agreement to acquire 10% of Rand Uranium (Property) for a purchase price of US\$ 250 million. Rand Uranium's assets and operations are situated in the West Rand, 30 kilometres from Johannesburg and have a net asset value of over US\$ 500 million.

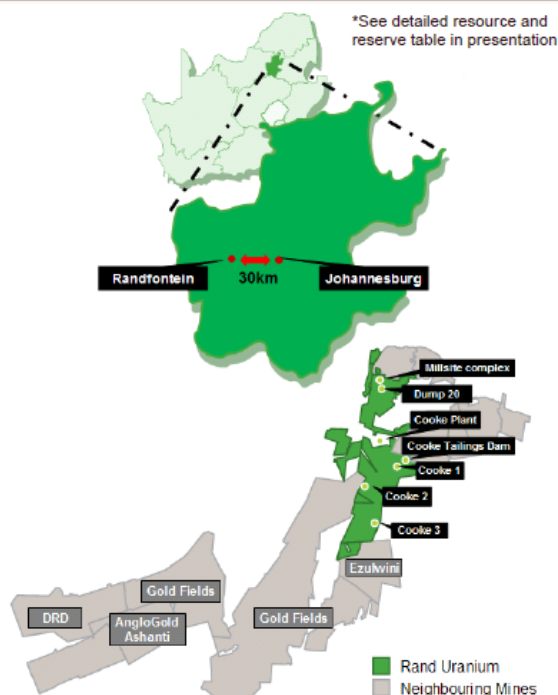
Rand Uranium is a private company that was established in 2008 when Harmony Gold Mining, among the world's top-10 hold producers, sold the Cooke 1, 2 and 3 underground operations and the surface assets of Randfontein Estates Gold Mine (excluding the Doornkop Section) to the Sellers.

Following Competition Commission approval for the acquisition on August 8, 2011, Gold One and Uranium One concluded an Interim Management and Funding Agreement. The Company has now taken over the daily management of the Cooke Underground and Randfontein Surface operations.

Rand Uranium Overview

GOLD ONE

- Assets situated in the West Rand, 30 km from Johannesburg
- Produced 163,000 ounces in 2010
- Gold resources of 13.46 Moz*
- Gold reserves of 2.95 Moz*
- Uranium resources of 89.93 Mlbs*
- Uranium reserves of 40.95 Mlbs*
- Gold One's primary focus will be on the shallow gold operations at Cooke 1, 2 and 3 shafts



Significant Gold Production with Uranium By-Product Potential

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The clear distinction between the underground and surface operations is a critical step in restructuring the Cooke and Randfontein operations to provide appropriate focus and capacity which is necessary to ensure a successful underground turnaround and surface operational growth.

Gold One has commenced with a review of the Cooke Uranium project feasibility study previously undertaken by Rand Uranium. External consultants have been engaged to reassess the existing feasibility study for the proposed uranium plant with a view to commencing production by 2015. Discussions have also been initiated with international banks to evaluate third party vendor financing for the plant's construction, planned to commence in early 2013.

The Rand Uranium acquisition is progressing well with a significant portion of the conditions precedent having been fulfilled. On August 29, 2011, Gold One announced that it had signed the financing agreements with Investec Bank for the acquisition.

The primary outstanding condition precedent to the completion of the transaction is receipt of the necessary consents being obtained from the Department of Mineral Resources of South Africa ("DMR"). Gold One is confident of receiving these by the end of 2011.

➤ Boundary Project, East Rand

The East Rand Boundary Project (ERBP) includes the shallow (less than 500 metres below surface) portions and extensions of the historically mined Main Reef on Gold One's New Kleinfontein, Turnbridge and Modder North properties. These properties are all within 16 kilometres of the Modder East mill.

A re-sampling exercise at the Turnbridge Property has been completed with the primary aim of confirming historical sampling data. The re-sampling work is being used to upgrade the existing Inferred resource of 280,000 ounces of gold at Turnbridge (including 1.8 million tonnes at a grade of 4.80 g/t gold) and 550,000 ounces of gold at New Kleinfontein (including 2.47 million tonnes at a grade of 6.90 g/t) to Indicated resources.

The Boundary Project will provide environmental tonnage in addition to the Modder East Project from late 2011.

Re-sampling has now commenced at the Modder North Property and is expected to be completed during September with similar objectives to enhance and increase resources. The updated resource estimation and pre-feasibility study are planned to be completed during the December quarter of 2010.

➤ **Tulo Property, Niassa Province, Mozambique**

The 100%-owned Tulo Property in concession to a 22,000 hectares prospecting area, is situated approximately 170 kilometres north of Lichinga, the capital of Niassa Province in north-western Mozambique and 20 kilometres south of the Tanzanian border.

The potential for both alluvial and primary mineralization has been recognised. The Property has highly favourable geological setting with primary gold contained within quartz veins in metasedimentary volcanic rocks (greenstones).

During the past quarter the primary focus has been on constructing an access road to the outcropping ore body to establish access for drill rigs.

Fugro Airborne Surveys has been contracted to conduct a high resolution helicopter-borne geophysical survey of Tulo and the surrounding areas during the December 2011 quarter.

Drilling is planned to commence during the June 2012 quarter, after the wet season.

➤ **Etendeka Property, Outjo district, Namibia**

The Etendeka Property is located in the Outjo district of north-western Namibia. There is potential for granites of the Transfontain Suite to host iron oxide – copper – gold (IOCG)

Mineralization has been recognised and two exploration phases have been completed to date.

Gold One presented an update to the Namibian Department of Minerals in December 2009, which was favourably received, the exploration permit has been extended until December 2010.

During this time further analytical work will be carried out on the Project.

Executive Management

Neal Froneman, Chief Executive Officer, is a registered professional engineer with over 25 years experience in the mining industry. Prior to joining Gold One, he was CEO of Uranium One, vice president and head of operations at Goldfields. Mr. Froneman has also held management and executive positions at Harmony Gold Mining Company, JCI and other companies.

Christopher Chadwick, Chief Financial Officer, is a qualified Chartered Accountant. Prior to joining Gold One in July 2008, Christopher has held executive positions in a wide range of industries, both with local South African companies and multinationals.

Mark Wheatley, Non-Executive Chairman, also serves as a non-executive director of Uranium One. He was previously Managing Director of BMA Gold and Chairman and CEO of Southern Cross Resources and has also served as a non-executive director of St Barbara from November 2003 to August 2006, and was appointed a non-executive director of Norton Gold Fields in March 2010.

Pierre Kruger, Vice President Legal Counsel & Company Secretary, served as non-executive director of Aflase prior to taking up the role of legal counsel and company secretary in January 2007. He was formerly non-executive chairman of New Kleinfontein Mining Company. Mr. Kruger practiced with Charles Sherman, Kruger and Prosser Inc for 26 years as an attorney, notary public and conveyance.

Investment recommendation:

Gold One's flagship property is the **Modder East Mine** which has JORC compliant Probable and Proven reserves of 1.53 million ounces of gold and in addition indicated and Inferred resources of 3.13 million ounces and 1.21 million ounces, respectively.

The Company's total Indicated and Inferred resources are 7.08 million ounces and 13.34 million ounces, respectively, to a total of 20.42 million ounces of gold.

Having started gold production at Modder East in June 2009, the Company produced 17,040 ounces and 66,445 ounces in 2009 and 2010, respectively. The current annualised production is over 100,000 ounces of gold, which positions Gold One well to achieve a production target for 2011 of at least 120,000 ounces of gold.

Gold One also owns the nearby existing Sub Nigel training facility. The Company's other projects and targets include **Ventersburg**, **Boundary**, and the **Megamine areas**, all located in the Free State goldfields, the **Tulo** concession in Mozambique and the **Etendeka** goldfields project in Namibia.

The spinning out of its Megamine assets will create **Goliath Gold Mining**, a new medium/depth gold explorer and development company with a 12.65 million ounce gold resource. With the transaction expected to be concluded by the end of January 2012, Gold One will be holding 71% of Goliath Gold.

Through the acquisition of **Rand Uranium**, Gold One will enhance its production profile to some 300,000 ounces of gold per annum, while adding some 3 million of gold mineral (ore) reserves, as well as 13.5 million ounces of gold mineral resources.

Through the transactions with Bidco, Gold One will continue to position itself as an active participant in the consolidation of the African and also global mining industry through the prominence of the Chinese Consortium members in Asia that will provide new potential opportunities for the Company to access Asian capital markets, with the possibility of a future listing in the Hong Kong Securities Exchange.

Based upon the increased production profile to some 300,000 ounces of gold per year and in addition financially securing the Company's acquisition capabilities supported by the strategic alliance with the Consortium, we view Gold One as one of the most attractive investment opportunities in the worldwide gold sector.

We have increased our next price objective from A\$ 0.80 to A\$ 1.00.