

SLIDE 1

- Good morning ladies and gentlemen, welcome to GBG's 3rd quarter results presentation, this would be for the 9 months ending September 30, 2009. I hope that all were able to retrieve the information from our website and have received the press releases and supporting documentation. If not, please mail Barbara/Tsholo or Michael and I am sure they will see that you get the information within a few minutes. I have been joined on the call by Lou van Vuuren, our CFO as well as Willie Beckmann and Louis Scheepers, members of my management team, who will be participating in the presentation.

SLIDE 2 MOVING ON!

- Slide 2 is the typical disclaimer slide. I have taken it as read

SLIDE 3

- It has been approximately 1 year since GBG went from being a fully financed exploration company with two great quality projects being developed, to a company which was severely impacted by the melt down in the capital markets. The exuberance of the capital markets was replaced with one of uncertainty as to where the next dollar to fund capital projects was going to come from. Even our syndicate of banks providing project funding facilities "went into a holding pattern, probably a lot like a plane planning or waiting to land", before then moving ahead. Whilst that happened, as management we were faced with a few difficult decisions. Do we stop and place the development of our 2 projects on hold, or do we push on, whilst aggressively looking at financing alternatives? If we stopped, when would our share price recover to an extent where we could then go and raise money to complete the projects? Stopping projects also brings a number of technical issues into play and typically the costs of start-up are huge compared to continuing with the projects. As you can see a number of difficult decisions to take. We decided to push on, whilst looking at alternative

GBG Q3 2009 Earnings Presentation Speech

financing methods, thereby enabling us to complete the projects as planned, and hopefully benefit from the current high gold price scenario, but it has come at a price, as some of our shareholders have let me know. There has been dilution, but we have survived, and the company is probably getting into one of the most exciting stages of its development. We are successfully transforming GBG from an exploration company to a junior producer, that process is underway.

- Let's move on to the quarterly results. The past quarter has been an exciting one with good progress being made with both projects, the Burnstone Mine in South Africa, as well as our Hollister Project in Nevada.
- But let us deal with the convertible offering that was announced post the quarter end. As management we were faced with the decision of either continuing with the project funding facilities, for which term sheets had been signed, the required technical reports completed and accepted by the syndicate, but was being delayed by administrative processes, or using an alternative financing instrument which we felt was a lot cleaner and more beneficial to GBG over the longer term. We are making excellent progress with the building of the required infrastructure to put the mine into production and cannot not afford any delays caused by our inability to have the necessary cash readily available from the banks to pay the contractors. We were getting close to that situation. Any delays would have been costly and would have ultimately impacted on our valuation.
- The CD can probably be seen as dilution, but there are a number of benefits, it's unsecured, hedging is no longer required, and at the current coupon, comes cheaper than the project funding over the longer term. Depending on the cash position of the company in future, we will consider dealing with the dilution in a meaningful way, i.e buy back of shares or of the CD's.
- In summary the Burnstone Project construction is going according to schedule and is within budget. Delivery of the Vertical Shaft and Metallurgical Plant will

GBG Q3 2009 Earnings Presentation Speech

take place as planned by end June 2010, with good progress in all areas of construction. Pleasing, is the continued build up of tonnage on the surface stockpile. As at October 30, we have accumulated approximately 29 000 tons of reef on the surface stockpile, and this is expected to continue as more development on reef continues.

- At Hollister, whilst production build-up has been slower than anticipated, the team has done well in decreasing cash costs, which are now ahead of plan. The Esmeralda Mill has been commissioned and the Gekko float and gravity circuit will be installed during the 4th quarter. In the meantime, to deal with the excess ore on the surface stockpile, we have entered into an agreement to treat the tonnage at the Jerritt Canyon mill facilities at significantly improved rates. This will significantly improve the company's cash flow position in the short to medium term.
- I am now going to ask Lou, our CFO to take us through the financial slides

SLIDE 4

- A net loss of \$16 mil was incurred for the quarter, bringing the net loss for the year to \$40 mil.
- No revenue was recognized in the quarter as a result of the decision taken not to send ore to Newmont's Midas mill for processing, due to the high milling costs charged.
- Underground development costs at our Hollister project are still being expensed through the income statement in line with our accounting policy. The policy is based on the SEC requirement that a project has to have all required permits awarded to commence commercial mining. \$9 mil of development costs have

GBG Q3 2009 Earnings Presentation Speech

been expensed during the quarter, bringing the total development cost expenses to \$22 mil for the year.

- At Burnstone the development costs are capitalized. The development of this project is nearing the home straight with development costs set to increase quarter on quarter. Included in the second quarter was the \$15 mil payment made to ESKOM to secure the power supply for the project.

SLIDE 5

- To more accurately report the operating results one has to shuffle the various elements in the income statement somewhat.
- Gross profit for the 9 months ended Sept 30 amounts to \$15 mil, which is a substantial improvement on comparative numbers for the same period in 2008.
- Notwithstanding the growth in the operations and development expenses of the Company, we managed to keep corporate expenses in line with the prior year.
- The year-on-year decrease in pre-development expenses is mainly due to the Burnstone pre-development being expensed till November 2008 and subsequently being capitalized.
- Exploration expenses for the year also show a significant decrease from the previous year. Exploration in 2009 has been focused on selected underground programs at our Hollister property with the main objective firming up on reserves in the medium term mine plan.
- Other non cash items consist mainly of SBC, fair value movements in financial instruments and certain foreign exchange movements.

SLIDE 6

- Our summarized balance sheet.
- Movement in working capital is mainly due to the decrease in cash balances.
- The utilization of cash can be seen in the increase in non-current assets. The movement is predominantly due to the capitalized development costs at our Burnstone Project.
- Operations at Hollister for the quarter have also been funded from corporate treasury due to the absence of revenue. The current stock pile is planned to be monetized in Q4 with an estimated cash inflow in excess of \$25 mil being generated.
- Long term borrowings at Sept 30 consist of the SSN and the amount that has been drawn down on the Burnstone Project finance facility in September 2008.

SLIDE 7

- As with our income statement, our cash flow statement also requires some shuffling to provide a better understanding of our cash flow movement.
- For this purpose I include pre-development expenses under investment activities.
- As mentioned, the cash utilized in operating activities for the quarter and year to date is due to the absence of revenue from the Hollister Project in Q3.

GBG Q3 2009 Earnings Presentation Speech

- Cash utilized on developing our properties amounts to \$111 mil for the 9 months ended September 30.
- Once again, net cash movement for Q3 has been negatively influenced by the lack of revenue from the Hollister property.

SLIDE 8

- I'm sure you are all aware of the convertible debenture we announced at the end of October. The net proceeds from this debenture will be used to complete the development of our Burnstone property.
- The continuous delays in finalizing the Burnstone Project finance facility has been a major element of concern to our shareholders. Our inability to provide you with an update on this matter also did not help.
- I mentioned in our Q2 earnings call that we were positive that we would conclude this financing during Q3 and we also announced final approval from the syndicate of banks by the end of August.
- The administration process in finalizing legal documentation, the financial model and hedge structure with 4 banks, insisting on being equally mandated and no one bank taking the lead, turned out to be a major challenge. The requirements from each bank and their legal team necessitated approval by 3 other banks as well as GBG and our legal team.
- As much as we pushed the timeline, administrative requirements from the various banks ended up in delays that had the potential to create a risk to the aggressive Burnstone development schedule. The development has huge momentum right now and adequate cash flow is required to maintain this. A

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potential delay in drawing down on the facility would have had a very negative impact on the development time line.

- Then there were also the high cost of capital for the facility, as a result of the required upfront capital to be spent by GBG and the financial inputs the banks used on the base case financial model.
- As a management team we took the decision to investigate alternative funding options to ensure we pro-actively manage the risk of further delays in finalizing the facility.
- While evaluating alternatives we continued with the process of finalising the project finance facility. The technical report from Snowdens, as well as the follow-up visit by Snowden and the banks, was extremely positive.
- The one positive takeout from the prolonged process to finalize the facility must be the scrutiny this project received. Hundreds of hours were spent by technical consultants on requests from the banks on this project and the outcome once again supported the viability of the project.

SLIDE 9

- In evaluating the pro's and con's of alternative financing we not only conducted a financial comparison but also a risk assessment for each option.
- The slide provides a number of those matters to take into account in evaluating the option of using a convertible debenture to replace the project finance facility.
- The bought deal on the convertible negated the pricing risk to a large extent and substantially reduced the execution risk. The timeline to closing also provided

GBG Q3 2009 Earnings Presentation Speech

the Company with the comfort that the Burnstone development schedule can continue without any risk of delays.

- Another concern from our shareholders was the hedging requirement from the project finance facility. The structure was quite complicated and being denominated in ZAR also impacted on the mark to market value, especially in the current high gold price environment.
- The convertible comes with dilution and this was our main concern and risk we wanted to manage as best we could. With the project finance facility however, the upfront capital requirement, the stand by equity as well as the requirement to maintain 6 months of interest and capital in an escrow account increased the capital cost of the facility substantially. On a NAV basis the cost of the CD (inclusive of dilution) was in the end not substantially different from the project finance facility.

SLIDE 10

- On slide 10 we demonstrate the use of proceeds from the CD, linked to the capital raise we did in March of this year.
- The net proceeds from the CD are basically the same as that planned from the Project finance facility all along.
- We also have included the impact of capital increases thus far and the strong performance of the ZAR against other currencies.

SLIDE 11

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- This table is an extract from the prospectus filed and demonstrates the required capital to complete the Burnstone Project.
- This facility as well as the cash on hand will be adequate to bring this project into operation by mid 2010.
- Capital cost increases on the project have been minimal due to the focus and control measures implemented to manage this.

SLIDE 12

- Moving on to the Burnstone part of the presentation. I again start off with the Burnstone Mine location and the positioning of the project relative to the rest of the SA industry. Although we show that we have completed over 400 surface drill holes in the area, we are continuing with drilling to even further reduce the technical risk of mining this ore body. Now that we are underground, have reef exposed and have access to the various mining blocks, we are doing focused infill drilling in areas we plan to mine in the short-term. This is more meaningful at this stage, as it impacts on mining layouts and tonnage build up.

SLIDE 13

- This slide summarizes the good progress being made with the sinking of the vertical shaft.
Sinking has progressed to 40 Level, the Haulage and Tip level, at a depth of 408 meters below surface. At that point station development commenced, with a total of 244 meters being completed by October 31, 2009. 31 meters remain. On completion of the station development, sinking of the main shaft will recommence to 41 Level, which will be the Conveyor and Pump Station Level. On completion, the shaft will have a depth of 492 meters.

GBG Q3 2009 Earnings Presentation Speech

- Progress remains on schedule and within budget

SLIDE 14

- Slide 14 summarizes the underground development as well as progress with the supporting surface construction. On the metallurgical facilities, these remain on schedule, the civils or terracing have been completed and construction of the infrastructure has commenced. This section is also on schedule and within budget.
- The raise boring of the 305 meter ventilation shaft continues according to plan and the holing is planned for January 2010. This will ensure adequate ventilation for the increased rate of mining.
- The underground development continues with the decline and on-reef development to blocks B and C being the main activities. On the decline, development is progressing well, with 290 meters remaining before connecting with the vertical shaft.
- In Block B a total of 564 meters of reef development has been completed. Valuable information in respect of continuity, channel widths and values is being gained. At this stage we have experienced no surprises and the results have been in line with the Feasibility Study.
- As at October 31, a total of approximately 29 000 tons have been accumulated on the surface stockpile, this is expected to increase significantly as the rate of mining activities escalate

SLIDE 15 AND 16

- These slides show our first Long Hole Stope at Burnstone. We have decided to trial LHS as a mining method mainly due to the following; it incorporates a higher level of mechanization, is safer, as employees never enter the stopes, and due to a smaller cut or excavation size, the grade recoveries should be higher. Development is on reef, which should result in less footwall development being done. Although we don't expect a significant decrease in cost per ton costs, we do expect that our cash costs per ounce should be lower, as we will be removing less waste tonnage, thereby increasing the gold content of the tons we are mining. We must admit that it is still early days as they say, but we have the skills and equipment to increase the rate of mining over the next few months. We will give the market feedback on progress at the next quarterlies.
- We are planning a site visit around the time of the Indaba Conference in SA next year which typically is early February, and I know a "Save The Date invite" has been sent out. You will be able to see more of the application of this mining method at that time.

SLIDE 17

- Our Hollister operations in Nevada. This property continues to deliver results underscoring the prospectivity thereof. We have made new discoveries this year, the Gloria vein systems being good examples thereof. Extension of mineralization on the current veins is also being proved with trial mining activities.

SLIDE 18

- Slide 18 shows the highlights on activities for the quarter. Slower build-up in tonnages from the higher grade stopes have resulted in a revision in production for 2009. Earlier in the quarter we announced that we would plan for 115 000 ounces being recovered from trial mining at Hollister for 2009. The benefit of actually getting into these higher grade areas will show in 2010's results.
- Trial mining continues with a similar amount of ounces being extracted. The grade remained at 0.99oz/ton or 29 g/t.
- The surface stockpile which will be converted into cash remains high at 32 219 tons containing approximately 27 336 ounces of gold equivalents.

SLIDE 19

- Slide 19 put the quarter's results into perspective with the previous quarters.
- The take out from the slide being the project to date extracted grade of 1.36 oz/t or 48.6g/t. The recovered grade of 1.2oz/t or 40.1 g/t is expected to improve as we get higher recoveries from both the Esmeralda mill as well as the Jerrit Canyon facilities. The 1.2 oz/t includes the impact of a 20% royalty paid to Newmont on tonnages treated at the Midas Mill.
- Although we have made good progress in getting to grips with the cash costs per ounce at Hollister, which has decreased by 14% quarter on quarter, from US\$375/oz to US\$324/oz, more pleasing is the trend in the cost per ton measures. The team at Hollister continue to do good work in the evaluation in

GBG Q3 2009 Earnings Presentation Speech

the various mining methods for these trial mining activities, as well as the development layouts.

SLIDE 20 TO 22

- Slides 20 to 22 have been included to indicate the location of the boreholes completed in the past quarter. The results were included in a press release earlier in the quarter. We receive requests to show the areas where the drilling is taking place. From the color coding you can see that the higher grade areas are easily distinguishable and are in areas that we plan to access in the current quarter, as well as the 1st half of 2010.
- Slide 20 shows the cover and exploration drilling. It was the cover drilling that resulted in the discovery of the Gloria vein systems.
- Slide 21 shows the stope drilling in plan view, and
- Slide 22 shows the same stope drilling looking northwards. A number of drill intersections in excess of 5oz/ton are clearly visible

SLIDE 23

- Slide 23 deals with an update on the Esmeralda Mill.
- Phase I has been completed with the refurbishment and commissioning of the mill.

GBG Q3 2009 Earnings Presentation Speech

- Phase II will involve the installation of a Gekko float and gravity section, which will allow the mill to treat higher grade material. This is planned for the 4th quarter of 2009
- We are also busy evaluating the Esmeralda Desktop DD which could see the company start mining the Prospectus decline in early 2010. Some follow-up work needs to be done before a decision can be taken.

SLIDE 24

- This slide deals with the cash preservation initiatives that we have implemented at our operations.
- Firstly let me deal with an issue which has caused some confusion and raised some eyebrows. I know one web media firm referred to the “generous allocation of stock options to management” after our previous capital raising. What they did not understand is that management, mine management and senior employees at the mines elected not to take cash bonuses for 2008, as well as not taking their 2009 annual increases in cash, but rather take stock options in lieu thereof. This resulted in less cash outflow from treasury, and also shows management’s belief in what they are delivering.
- There was also reference to stock options that were re-priced on previously allocated stock options. This was also not the case, but it was rather a case that if, and only if, the individual elected to take stock options in lieu of increases as well as his bonus, he could receive one new stock option in return for every two options that he returned or had cancelled.
- In addition, a number of additional steps were taken, simplifying management structures, revisiting our procurement strategy following a period of lower

GBG Q3 2009 Earnings Presentation Speech

commodity prices. That would be expenditure on steel related products and more.

- Reviewing both mining methods at Hollister and Burnstone to save on development and initial capital outlay
- The alternative milling options available are saving costs at Hollister or then optimizing revenues
- Then lastly, we looked at the large capital expenditure program at Burnstone, revisited the expenditure profile, in an effort to minimize our initial cash outflow. We are delaying some expenditure, nice to have's, until we have production from Burnstone. This is planned for end June 2010 when the bulk of the capital has been spent, and the mill and shaft have been commissioned.

SLIDE 25

- Our focus areas for the December 2009 quarter.

Thank you ladies and gentlemen. Before I hand you over to Lou for questions, just a few words to close.

- We have probably gone through a tough time, last year this time things could not get any better, so they got worse, dramatically worse.
- This time, I think by the end September 2009, it was the opposite. I think that what we have done, operationally and in the area of funding requirements, will result in things only getting better over the next few quarters.