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PANAUST

24 January 2013

Quarterly Report for the three months to 31 December 2012

Production

- Consolidated production for 2012 in line with guidance: 63,285t copper, 135,965oz gold and 616,687oz silver
- Strong December quarter operating performances:
  - Phu Kham: 18,671t copper at a C1[1] cash cost of US$1.15/lb after precious metal credits. Record monthly copper production of 7,050t achieved in December.
  - Ban Houayxai: 32,882oz of gold at a C1 cash cost of US$569/oz after a credit from 92,673oz of silver.

Pre-development and exploration projects

- **Phonsavan Copper-Gold Project:** Pre-feasibility study underway focusing on the KTL deposit.
- **Phu Kham district exploration:** inaugural LCT resource estimate announced; Nam San inaugural resource estimate scheduled for the March quarter 2013.
- **Inca de Oro Copper-Gold Project (joint venture with CODELCO):** extended feasibility study underway; drill assessment of the Artemisa deposit in progress. Infill drilling also underway at the nearby (100% owned) Carmen deposit.

Corporate

- At 31 December 2012 the Company had cash of US$125 million and debt of US$85 million (excluding equipment lease facilities).
- Earnings before interest, tax, depreciation and amortisation (EBITDA) for the 2012 year were US$330 million (unaudited).

[1] Brook Hunt convention for the reporting of direct cash costs comprising: mine site, product transportation and freight, treatment and refining charges and marketing costs. Based on payable metal content after by-product credits.

Phu Kham Operation, Laos (PanAust 90%)

Introduction

Phu Kham finished the year strongly with several production records achieved during the quarter.

Copper in concentrate production for the quarter was 18,671t at an average C1 cash cost of US$1.15/lb (Table 1) after precious metal credits for total contained copper production in 2012 of 63,285t at an average C1 cash cost of US$1.11/lb.

Table 1: Production and cost summary

Phu Kham Operation ***Production summary (100% equity basis)***	Units	**3 months to 31 Dec 2012**	12 months to 31 Dec 2012
Copper in concentrate	t	**18,671**	63,285
Gold in concentrate	oz	**15,934**	59,516
Silver in concentrate	oz	**137,672**	469,945
C1 cash cost after precious metal credits[2]	US$/lb Cu	**1.15**	1.11

Further details of the production and cost performances are contained in Table 6 and Table 7 of this report

Production Performance

The benefits of the recently completed and commissioned Phu Kham Upgrade Project were reflected in **quarterly** records for: total material mined (9.04Mt); ore milled (4.48Mt: an annualised rate of nearly 18Mt despite a planned SAG mill reline in November); mill throughput rate (2,183t/hr); and copper recovery (73.5%).

During December, there were **monthly** records for: total material mined (3.38Mt); ore milled (1.75Mt: an annualised rate of nearly 21Mt with a record throughput rate of 2,400t/hr combining with high availability of 97.9%); and copper in concentrate production (7,050t).

Pay-metal in concentrate sales during the quarter totalled 17,662t of copper, 15,459oz of gold and 124,752oz of silver. The average copper, gold and silver prices realised (after hedging) were US$3.57/lb, US$1,761/oz and US$34/oz respectively.

Ban Houayxai Gold-Silver Operation, Laos (PanAust 90%)

Introduction

Strong quarterly performance achieved with 32,882oz gold produced in doré at an average cash cost of US$569/oz after silver credits (Table 2), bringing the total for 2012 to 76,449oz gold at an average C1 cash cost of US$537/oz.

Total gold and silver production for the 2012 year, which includes gold-silver doré poured together with in-circuit loads at the end of the year, was 80,170oz and 157,836oz respectively.

Quarterly performance records were achieved for: total material mined (2.89Mt); ore milled (1.12Mt); and, gold and silver in doré poured (32,882oz and 92,673oz respectively).

[2] Based on invoiced pricing for gold and silver.

Table 2: Production summary

Ban Houayxai Operation ***Production summary (100% equity basis)***	Units	**3 months to 31 Dec 2012**	12 months to 31 Dec 2012
Gold poured	oz	**32,882**	76,449
Silver poured	oz	**92,673**	146,742
C1 cash cost after precious metal credits[3]		**569**	537[4]

Further details of the production and June cost performances are contained in Table 6 and Table 8 of this Report.

Sales during the quarter totalled 33,353oz of gold and 86,155oz of silver. Average realised gold and silver prices (after hedging) were US$1,682/oz and US$32/oz respectively.

New Mineral Resource and Ore Reserve estimates are due for completion in March 2013. The new resource model incorporates the interpretation of continuous high-grade zones that were identified last year. It is expected that this will lead to a material increase in the gold contained within the new Mineral Resource and Ore Reserve estimates either through an increase in grade and/or increase in tonnes.

Resource extension and infill drilling continued during the quarter and includes the targeting of deeper primary gold mineralisation that extends beyond the currently designed open-pit shell. Significant results are presented in Table 9 including:

- HDD296: 18 metres at 4. 96g/t gold and 103.3g/t silver from a depth of 113 metres

Outlook[5]

Group Production and EBITDA

PanAust currently estimates consolidated full year 2013 production of 62,000t to 65,000t copper in concentrate, and precious metal production in concentrate and doré of 160,000oz to 175,000oz gold and between 1.1 million and 1.2 million oz of silver.

EBITDA for the 2013 year is currently expected to be between US$320 million and US$350 million assuming a copper price of US$3.60/lb.

Phu Kham

During the December quarter 2012, a zone of geotechnical instability developed along the northern extent of the interim west wall of the Phu Kham open pit. The mining schedule has been adjusted to prioritise the mining of material above that zone. The instability does not present a risk to the ultimate open-pit design but access to an area of relatively high-grade copper ore, originally scheduled to be mined throughout 2013, will be deferred into the following year.

The average copper head grade in 2013 is now scheduled to be below the average Ore Reserve grade of approximately 0.5%, for copper in concentrate production of 62,000t to 65,000t at an

[3] Based on invoiced pricing for silver.
[4] Cash cost data is for the period from 1 June 2012, the commencement of commercial production.
[5] Cash cost and EBITDA guidance assumes by-product credits based on average gold and silver prices for 2013 of US$1,700/oz and US$30/oz respectively.

average C1 cash cost of between US$1.15/lb and US$1.25/lb. The new schedule impacts first half production in 2013 with second half copper production expected to climb to an annualised rate of over 65,000t and second half cash costs lower. This expected improvement is commensurate with a higher head-grade profile in the second half and improved metallurgical recoveries as a consequence of the completion and commissioning of the Increased Recovery Project ahead of schedule.

At the end of the December 2012 quarter, the Increased Recovery Project was 62% complete, tracking ahead of schedule and within the US$45 million budget. The project is now expected to be commissioned during the June quarter 2013, two to three months ahead of schedule.

During the next two years milling rates at Phu Kham are expected to continue to exceed the 16Mtpa nameplate capacity of the upgraded process facility on a blend of moderate and hard ores.

Life-of-mine scheduling is underway following the development of a new resource model and incorporating the near-term changes described above. The re-scheduling process will be completed by the end of the June quarter 2013 and is likely to indicate that the Operation can maintain annualised production rates of over 65,000t of copper from mid-2013. A revised Ore Reserve estimate is scheduled for completion in the March quarter 2013.

Ban Houayxai

In 2013, its first full year of operation, Ban Houayxai is expected to produce approximately 100,000oz of gold at a cash cost of between US$550/oz and US$600/oz. Mill throughput is expected to exceed nameplate of four million tonnes per year as a blend of softer oxide and harder transitional ores is treated. Silver grades are scheduled to continue to rise as the proportion of transitional ore increases. This guidance does not take into account the potential benefits that could stem from the new mineral resource model described above.

Pre-development and exploration projects

PanAust has a corporate strategy focused on growth by discovery, acquisition and development.

Key components of this strategy are: a commitment to progressing capital efficient organic growth opportunities; the acquisition of producing or pre-development copper assets; and, pursuit of an active exploration and resource development program in Laos and Chile.

Successful completion of the Ban Houayxai and Phu Kham Upgrade projects in 2012 together with the Increased Recovery Project scheduled for implementation in 2013 are the platform for a pipeline of pre-development and exploration projects that should maintain a strong growth profile for the Company over the medium to long-term.

Phonsavan Copper-Gold Project – potentially the next green-field development in Laos
(PanAust 90%)

A pre-feasibility study is underway at the Phonsavan Copper-Gold Project and is expected to be reported on in the September quarter 2013. The scope of the study is for the development of an open pit mining operation at the KTL copper-gold deposit feeding ore to a conventional milling and flotation process plant with annual processing capacity of seven million tonnes and output of approximately 25,000tpa copper and 20,000ozpa of gold in concentrate over a mine life of

approximately 10 years. The presence of a higher grade zone identified from drilling may provide an opportunity for increased metal production rates during the early part of the mine schedule.

Subject to ongoing success with drilling and evaluations, a full feasibility study is expected to be completed by the end of 2013. The study will consider the potential to add further mineralisation sourced from deposits in the area including the Tharkhek copper-gold and gold deposits.

A program of infill drilling commenced during the quarter at KTL and included the targeting of higher-grade zones of copper-gold mineralisation. Significant results included KDD232 which intersected:

- 40 metres @ 1.12% copper, 0.72g/t gold and 3.2g/t silver from 14 metres

The latest phase of exploration drilling at the Tharkhek copper-gold deposit was concluded during the quarter. Tharkhek is structurally complex and while significant copper-gold mineralisation has been intersected during several phases of drilling, identification of a continuous zone of mineralisation that is material to the Project has yet to occur. A further drill program is planned for Tharkhek in 2013.

Details of the drilling results received during the quarter from drill programs at Phonsavan are presented in Table 12.

Phu Kham district incorporating Long Chieng Track (LCT) and Nam San, Laos (PanAust 90%)

The Phu Kham district is a high priority target for exploration and resource development. Several exploration targets have been identified in a corridor that stretches at least six kilometres from Phu Kham northwest to the LCT deposit, and beyond to the Nam Ve prospect which is seven kilometres northwest of LCT.

<u>LCT</u>

In January 2013, PanAust announced the initial Mineral Resource estimates for LCT. The deposit has an estimated total combined Measured, Indicated and Inferred Mineral Resource of approximately 32Mt at 0.77g/t gold, 4.9g/t silver and 0.12% copper (Table 3).

LCT is located approximately six kilometres northwest of the Phu Kham Copper-Gold Operation. The deposit outcrops and extends over a strike length of approximately 450 metres in a northeast-southwest direction, dipping steeply to the northwest. The deposit remains open down-dip and along strike.

The deposit comprises several mineralised zones. One discrete zone exhibits elevated copper (+0.4%), gold and silver grades that, subject to confirmatory test work, may be amenable to processing by flotation. The other mineralised zones identified are gold-silver rich, and contain comparatively low levels of copper that may, subject to confirmatory test work, be amenable to conventional carbon in leach (CIL) processing.

Drilling is continuing with the aim of extending the limits of known mineralisation and converting the largely Inferred Mineral Resource to Measured and Indicated categories.

Table 3: LCT Mineral Resources estimate using a 0.3g/t gold cut-off grade[6]

Category	Tonnes (Mt)	Gold grade (g/t)	Silver grade (g/t)	Copper grade (%)
Measured	3	0.72	2.3	0.02
Indicated	5	0.65	4.7	0.05
Inferred	25	0.80	5.3	0.15
TOTAL	**32**	**0.77**	**4.9**	**0.12**

Further drilling to the north and northeast of LCT has intersected gold-silver mineralisation associated with geochemical soil anomalies over an area of several square kilometres and further exploration drilling is planned.

Drilling results received during the quarter are presented in Table 11 and included.

LDD052: 55 metres at 0.8g/t gold and 0.8g/t silver from surface.

Nam Ve

A program of scout drilling was completed during the quarter at the Nam Ve gold prospect which is located approximately seven kilometres northwest of LCT. Surface sampling previously identified a gold geochemical anomaly and the drilling is targeting a zone of high-grade gold veins that outcrop in the area. Drill hole VDD002 intersected:

- 13 metres @ 3.87g/t gold and 9.6g/t silver from 18 metres, and
- 3 metres @ 14.4g/t gold and 25.6g/t silver from 25 metres

Details of the drill hole are presented in Table 11. Further drilling is planned.

Nam San

The initial phase of resource definition and exploration drilling concluded in early January 2013. Nam San has been drill tested on 100-metre sections with a nominal 70m sample spacing across the main mineralised zone.

The latest drilling results have demonstrated that the higher-grade mineralisation is dipping at 65-70 degrees, steeper than originally interpreted, and has indicated the potential to intersect higher-grade copper mineralisation up-dip of the current drilling.

[6] Notes for the Mineral Resources estimate:

The Mineral Resources estimate is reported on a 100% ownership basis; PanAust has a 90% beneficial interest.

The estimates are based on an ordinary kriged model constrained by gold mineralisation limits using a 0.1g/t gold cut-off.

To reflect the accuracy of the estimate, the tonnes are rounded to the nearest million tonnes and grades are reported to two significant figures. Since each number and total for each column is rounded individually, the table may show apparent inconsistencies between the sum of each rounded number and the corresponding column total.

A strategy for further evaluation will be formulated once the final results of the drill program have been evaluated and may include further drilling from surface and/or development of an access decline to continue drilling from underground.

Results from the initial resource definition drilling program will be incorporated into an inaugural mineral resource estimate scheduled for completion in the March quarter 2013.

Significant intersections from recent drilling are presented in Table 10 and included GDD1135D1 which intersected:

- 128 metres @ 0.79% copper, 0.21g/t gold and 1.3g/t silver from 824 metres, including 30 metres @ 1.46% copper, 0.16g/t gold and 2.0g/t silver from 922 metres

Inca de Oro Copper-Gold Project, Chile (60.2% PanAust)

Work continued on the extended Inca de Oro feasibility study to evaluate the potential for existing oxide and additional sulphide resources to make a material contribution to the project.

The Inca de Oro sulphide feasibility study, which was completed in the June quarter 2012, concluded that the cost profile after the first five years of production needed to be improved for the Inca de Oro Project to be economically robust.

The joint venture partners agreed that there was significant potential to improve the project through evaluation of the oxide resources at Inca de Oro and the definition and the potential identification and incorporation of higher value mineralisation from nearby deposits into the development plan.

Drilling is in progress at the Artemisa copper-gold prospect, five kilometres north of Inca de Oro and part of the joint venture, where previous drilling by Codelco intersected broad zones of copper-gold mineralisation. The objective of drilling at Artemisa is to establish an initial resource estimate for that deposit. Drill results received to date are presented in Table 13.

Carmen Copper-Gold Deposit, Chile (100% PanAust)

A program of drilling was commenced during the quarter at the Carmen deposit which is situated approximately 14 kilometres southwest of Inca de Oro. Carmen is a near-surface iron oxide copper-gold (IOCG) mineralised system which, subject to a feasibility study, may support a low strip ratio satellite open-pit to augment Inca de Oro mill feed. PanAust's strategy is to demonstrate that the incorporation into the mining schedule of higher value (through a higher contained metal value and potentially lower strip ratio and process costs) mineralisation from Carmen will materially improve the operating cost profile identified in the feasibility study for the Inca de Oro Project and thereby improve the robustness of that project.

Regional Exploration, Laos (90% PanAust)

PanAust is undertaking regional exploration activities at several prospects within the Company's 2,600km^2 Contract Area in Laos. The Contract Area remains under-explored and is prospective for copper and gold, offering excellent potential for the discovery of significant new resources as the basis for organic growth of the business.

Sustainability

Safety

A single lost time injury (LTI) occurred during the quarter at Ban Houayxai when a process plant employee received a fractured arm during re-installation of a large screen. Changes to work practice have been implemented to eliminate the need for manual handling of screens and reduce the potential for similar accidents to occur in the future. Until this event, the Ban Houayxai operational team had achieved 1,139 days lost time injury free since they commenced responsibility for aspects of construction activities including pre-operational civil works in October 2009 and preparations for operational ramp-up.

The LTI frequency rate (LTI's per million man-hours) on a 12-month rolling average basis at 31 December 2012 was 0.13.

Environment

There were no reportable environmental incidents during the December quarter.

Local Community Projects, Laos

In the vicinity of Phu Kham, Ban Houayxai and Phonsavan, PanAust continues to advance a number of community development projects with a focus on agriculture, education, health, infrastructure and small business development.

Corporate

At 31 December 2012, the Company had cash of US$125.0 million, debt of US$85.0 million, undrawn debt facilities of US$15.0 million, and mobile equipment lease facilities drawn to a total of US$80.5 million.

For the 2012 year, EBITDA was US$330 million (unaudited).

In January 2013, PanAust announced that it has entered into loan agreements for debt facilities totalling US$275 million. The facilities comprise a four-year US$250 million revolving debt facility with a syndicate of seven banks led by ANZ Bank, and a US$25 million working capital facility with ANZ (Laos). The revolving debt facility replaced the previous US$100 million facility entered into in 2010 which was scheduled to mature in the September quarter 2013.

Copper price exposure

PanAust's copper hedging positions and fixed price agreements as at 31 December 2012 are summarised in Tables 4 and 5.

Table 4: Hedging and fixed price agreements on provisional invoicing

Settlement period	Tonnes	Average Price US$/lb
March Qtr 2013	6,800	3.60
June Qtr 2013	2,750	3.74

Table 5: Strategic hedging:

Copper Put Options

Settlement period	Tonnes	Average Strike Price US$/lb	Premium payable US$
Copper Put Options:			
June half 2013	6,237	2.37	1,533,959
December half 2013	2,985	2.25	1,410,654
June half 2014	2,346	2.25	709,719
December half 2014	2,346	2.25	755,779

Copper Swaps:

Settlement period	Tonnes	Average Price US$/lb
December Qtr 2013	2,500	3.65
June Qtr 2014	2,680	3.18

PanAust's hedging policy seeks to protect the Company against near-term sharp falls in the copper price, and revenue loss over the quotation period on provisionally priced shipments, while maintaining a significant exposure to the prevailing copper price.

The Company manages short-term and provisional price risk (over the quotational period) on copper sales through swaps and fixed price agreements with customers. Protection against potential downside copper price risk on future production is currently provided predominantly by put options and to a lesser degree by swaps over the next two years.

As at 31 December 2012, a total of 9,550t (73%) of PanAust's copper sales from shipments for the period from January 2013 to April 2013, that are currently subject to provisional pricing, are covered by hedging and fixed price agreements at an average copper price of US$3.64/lb.

Gold/Silver price hedging

PanAust currently has no gold or silver hedging in place.

Issued Capital

The issued capital of the Company at 31 December 2012 comprised:

605,962,322	Ordinary fully paid shares
4,363,296	Unlisted options
681,005	Unlisted share rights

Proposed 2013 reporting calendar:

- 21 February 2013 — 2012 Financial Results
- 23 April 2013 — March quarter 2013 report
- 17 May 2013 — Annual General Meeting
- 17 July 2013 — June quarter 2013 report
- 22 August 2013 — June half 2013 Financial Results
- 29 October 2013 — September quarter 2013 report

Dates are provisional and remain subject to confirmation.

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Directors

Garry Hounsell	Non-executive Chairman
Gary Stafford	Managing Director
Nerolie Withnall	Non-executive Director
Geoff Handley	Non-executive Director
Geoff Billard	Non-executive Director
Zezhong Li	Non-executive Director
John Crofts	Non-executive Director
Ken Pickering	Non-executive Director
Annabelle Chaplain	Non-executive Director

Attachments

Table 6: Production and sales statistics

Phu Kham Copper-Gold Operation	Units	**3 months to 31 Dec 2012**	12 months to 31 Dec 2012
Total material mined	t	**9,037,361**	35,206,703
Copper-gold ore mined	t	**3,948,719**	13,909,428
Ore milled	t	**4,480,792**	15,151,624
Copper head grade	%	**0.57**	0.58
Gold head grade	g/t	**0.28**	0.29
Silver head grade	g/t	**2.56**	2.57
Concentrate produced	dmt	**79,829**	267,383
Copper in concentrate	t	**18,671**	63,285
Gold in concentrate	oz	**15,934**	59,516
Silver in concentrate	oz	**137,672**	469,945
Copper recovery	%	**73.5**	72.3
Concentrate sales	dmt		
Payable copper in concentrate sold	t	**17,662**	59,357
Payable gold in concentrate sold	oz	**15,459**	59,480
Payable silver in concentrate sold	oz	**124,752**	424,001
Average copper price realised (copper revenue recognised / sales) after realised hedging	US$/lb	**3.57**	3.64
Average gold price realised (gold revenue recognised / sales) after realised hedging	US$/oz	**1,761**	1,707
Average silver price realised (silver revenue recognised / sales) after realised hedging	US$/oz	**33.9**	32.3
Ban Houayxai Gold-Silver Operation			
Total material mined	t	**2,888,134**	6,865,049
Gold-silver ore mined	t	**1,620,569**	3,932,151
Ore milled	t	**1,118,509**	2,663,737
Gold head grade	g/t	**0.97**	1.02
Silver head grade	g/t	**4.08**	3.22
Gold in doré	oz	**32,882**	76,449
Silver in doré	oz	**92,673**	146,742
Gold recovery	%	**90.0**	91.5
Payable gold in doré sold	oz	**33,353**	72,557
Payable silver in doré sold	oz	**86,155**	131,178
Average gold price realised (gold revenue recognised / sales) after realised hedging	US$/oz	**1,682**	1,647
Average silver price realised (silver revenue recognised / sales) after realised hedging	US$/oz	**31.9**	31.5

Cumulative data may incorporate post reporting period adjustments to prior periods.

Table 7: Phu Kham Copper-Gold Operation production costs (US$/lb copper)

	3 months to 31 Dec 2012	12 months to 31 Dec 2012
Mining cost	0.61	0.65
Processing cost	0.65	0.63
General and administration	0.27	0.24
Total on-site operating costs	**1.54**	**1.52**
Transport handling and marketing	0.28	0.30
Concentrate treatment and refining	0.14	0.15
Total off-site operating costs	**0.42**	**0.45**
Deduct precious metal credits	(0.80)	(0.86)
Total direct operating costs (C1 cash cost)	**1.15**	**1.11**
Royalty	0.24	0.24
Depreciation and amortisation	0.43	0.40
Total costs	**1.83**	**1.76**

Notes: Costs are based on payable copper in concentrate produced. May include minor computational discrepancies due to rounding.

Table 8: Ban Houayxai Gold-Silver Operation production costs (US$/oz gold)

	3 months to 31 Dec 2012	7 months to 31 Dec 2012
Mining cost	160	142
Processing cost	312	289
General and administration	172	157
Total on-site operating costs	**644**	**588**
Total off-site operating costs (freight, refining)	8	7
Deduct silver credit	(83)	(57)
Total direct operating costs (C1 cash cost)	**569**	**537**
Royalty	109	103
Depreciation and amortisation	483	453
Total costs	**1,161**	**1,093**

Notes: Costs are based on payable gold produced. May include minor computational discrepancies due to rounding. Progressive cost data is for the period of commercial production only: commercial production was declared from 1 June 2012.

Resource and exploration drilling results

Table 9: Ban Houayxai Gold-Silver Project; significant drill intersections from resource extension and infill program

Hole No. Depth of hole Orientation	Easting WGS84 (m)	Northing WGS84 (m)	From (m)	Interval (m)	Gold grade (g/t)	Silver grade (g/t)
HDD268 375m -60 to 180	255903.5	2094222.4	198.0	9.0	5.9	5.9
HDD288 255m -60 to 180	255948.4	2094200.1	159.0	5.0	1.01	3.8
HDD289 199m -60 to 180	255927.9	2093790.3	11.0 52.0	19.0 21.0	0.34 0.32	4.3 1.8
HDD296 291m -60 to 180	255979.1	2094510.0	0.0 11.0 113.0 195.0 205.0	6.0 4.0 18.0 5.0 7.0	0.53 1.35 4.96 0.78 0.43	0.8 2.4 103.3 8.3 10.6

Intersection grades are down-hole length weighted calculations using a 0.3g/t gold cut-off and a maximum sub-grade interval of 4m.

Table 10: Nam San copper-gold; significant drill intersections

Hole No. Depth of hole Orientation	Easting WGS84 (m)	Northing WGS84 (m)	From (m)	Interval (m)	Copper grade (%)	Gold grade (g/t)	Silver grade (g/t)
GDD1153D1 1,003m -75 to 180	280251.9	2090360.2	824.0 Incl.: 922.0	128.0 30.0	0.79 1.46	0.21 0.16	1.3 2.0
GDD1160 621m -75 to 180	279951.3	2090437.7	280.0	22.0	0.63	0.48	1.4
GDD1160D2 724m -75 to 180	279951.5	2090439.5	264.0 282.0 314.0	4.0 12.0 4.0	0.04 0.64 0.65	0.31 0.30 0.46	1.0 1.3 2.0
GDD1161 972m -75 to 180	280034.9	2090444.3	676.0 738.0 762.0 946.0	8.0 4.0 4.0 8.0	0.87 0.49 0.57 0.49	0.45 0.31 0.17 0.08	1.8 2.0 2.0 1.3
GDD1161D1 853m -75 to 180	280034.9	2090444.3	648.0 690.0 Incl.: 702.0 730.0	4.0 28.0 10.0 22.0	0.50 0.57 0.92 0.76	1.06 0.25 0.42 0.28	1.5 1.6 1.5 1.0
GDD1162 906m -75 to 180	280159.8	2090411.0	740.0 778.0 816.0	4.0 26.0 28.0	0.34 0.48 0.64	0.13 0.43 0.26	2.0 2.2 1.1

Intersection grades are down-hole length weighted calculations using a cut-off grade of 0.3% copper or 0.3g/t gold and a maximum sub-grade interval of 4m.

Table 11: Phu Kham district; significant drill intersections

Hole No. Depth of hole Orientation	Easting WGS84 (m)	Northing WGS84 (m)	From (m)	Interval (m)	Copper grade (%)	Gold grade (g/t)	Silver grade (g/t)
LCT copper-gold prospect:							
LDD017D1	277050.1	2095373.3	1176.0	5.0	0.01	3.13	2.3
1,291m			1190.0	4.0	0.99	4.69	10.6
-60 to 178			1213.0	14.0	0.08	0.68	1.4
			1240.0	17.0	0.28	0.90	3.9
			1262.0	6.0	0.36	1.06	1.4
LDD041	277756.9	2096208.1	292.0	4.0	0.04	1.59	7.9
468m			308.0	4.0	0.04	0.65	5.4
-60 to 178							
LDD044	277549.6	2096232.4	148.0	10.0	0.04	1.46	14.0
318m							
-60 to 178							
LDD046	276701.5	2094308.8	215.0	11.0	0.22	0.47	14.0
611m			547.0	15.0	0.05	0.62	10.2
-60 to 178							
LDD048	276844.4	2094385.0	74.0	21.0	-	0.49	6.9
621m			460.0	7.0	-	0.33	0.7
-60 to 178							
LDD049	276744.6	2094190.0	29.0	49.0	0.01	0.40	4.6
232m			83.0	7.0	0.04	0.47	13.6
-60 to 178			98.0	4.0	0.01	0.35	3.8
			116.0	4.0	0.01	0.37	1.0
LDD050	276942.0	2094639.6	154.0	21.0	-	0.52	1.5
458m			200.0	4.0	-	0.56	2.3
-60 to 178			287.0	13.0	-	1.28	2.3
			341.0	4.0	-	0.33	0.9
LDD051	277148.4	2094767.4	74.0	4.0	-	2.61	13.2
436m							
-60 to 178							
LDD052	276952.9	2094421.9	0.0	55.0	-	0.80	0.8
526m			60.0	6.0	-	0.30	4.2
-60 to 178			98.0	11.0	-	0.37	6.5
			180.0	4.0	-	0.33	0.5
			257.0	14.0	-	0.47	1.1
			321.0	13.0	-	1.75	<0.1
LDD053	276800.7	2094423.6	121.0	19.0	-	0.41	1.8
554m			159.0	24.0	-	0.80	16.8
-60 to 178			194.0	7.0	-	0.55	1.5
			254.0	9.0	-	0.68	6.1
			286.0	5.0	-	0.38	5.0
			519.0	5.0	-	0.61	2.7
Nam Ve gold prospect:							
VDD002	270915	2097050	18.0	13.0	-	3.87	9.6
208m			25.0	3.0	-	14.40	25.6
-60to 270							

Intersection grades are down-hole length weighted calculations using a cut-off grade of 0.3% copper or 0.3g/t gold and a maximum sub-grade interval of 4m.

Table 12: Phonsavan Copper-Gold Project; significant drill intersections

Hole No. Depth of hole Orientation	Easting WGS84 (m)	Northing WGS84 (m)	From (m)	Interval (m)	Copper grade (%)	Gold grade (g/t)	Silver grade (g/t)
KTL copper-gold:							
KDD228 70m -60 to 000	319462	2150118	0.0 40.0	34.0 8.0	0.54 0.47	0.48 0.02	0.7 0.3
KDD230 150m -60 to 000	319397	2150019	24.0	46.0	0.68	0.20	2.8
KDD231 255m -60 to 000	319002.0	2150055.1	44.0	18.0	0.67	0.09	4.4
KDD232 255m -60 to 000	319450	2150037	14.0	40.0	1.12	0.72	3.2
KDD233 262m -60 to 000	319550	2149999	6.0 16.0	4.0 24.0	0.41 0.92	0.45 0.45	42.3 2.3
Tharkhek copper-gold:							
TKD153 462m -60 to 000	314800	2146800	104.0 120.0 259.0	6.0 10.0 6.0	0.34 0.62 0.54	0.01 0.04 0.04	0.8 0.8 1.0
Tharkhek gold:							
TKD159 147m -60 to 180	314676.5	2147515.4	24.0	4.0	0.05	4.52	0.1

Intersection grades are down-hole length weighted calculations using a cut-off grade of 0.3% copper or 0.3g/t gold and a maximum sub-grade interval of 4m.

Table 13: Artemisa; significant drill intersections

Hole No. Depth of hole Orientation	Easting (m)	Northing (m)	From (m)	Interval (m)	Copper grade (%)	Gold grade (g/t)	Silver grade (g/t)
ART-78 300m -61 to 225	412316.2	7045056.5	204.0	7.5	0.33	0.04	1.2
ART-81 300m -61 to 225	413341.3	7043598.3	121.5 157.5	4.5 3.0	1.15 0.80	0.33 0.07	9.4 0.1
ART-83 300m -61 to 225	411499.9	7044750.1	229.5	4.5	0.38	0.03	40.3

Intersection grades are down-hole length weighted calculations using a cut-off grade of 0.3% copper or 0.3g/t gold and a maximum sub-grade interval of 4m.

Notes for drill hole data

Drill directions are nominally orientated for true width intersection of target mineralisation. Mineralised intercepts are approximately true width unless otherwise noted.

Diamond drill core samples submitted for analysis are typically taken at nominal two metre intervals. However, sample boundaries may be adjusted for changes in the oxidation tenor, lithology or core size. All DD samples are collected as half core unless otherwise stated. A field duplicate is obtained for a pre-nominated sample by quarter coring the designated half core sample to be submitted for assay. All DD sampling is undertaken using the triple tube method. Matrix matched standard reference material is submitted every 20 samples. All samples were prepared at ALS Vientiane (Prep-31), analysed for gold by 50g Fire Assay (Au-AA26) at ALS in Vientiane or Brisbane and subject to an aqua regia digest with ICP-AES finish for all other elements at ALS Perth or Brisbane (ME-ICP41).

Competent Person Statements

The data in this report that relate to exploration results and Mineral Resources are based on information reviewed by Mr Daniel Brost who is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy (MAusIMM CP).

Mr Brost is a full time employee of PanAust Limited. Mr Brost has sufficient experience 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 as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mr Brost consents to the inclusion in the report of the exploration results and Mineral Resources in the form and context in which they appear.

Forward-Looking Statements

This announcement includes certain "Forward-Looking Statements". All statements, other than statements of historical fact, included herein, including without limitation, statements regarding financial, production and cost performances, potential mineralisation, exploration results and future expansion plans and development objectives of PanAust Limited are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.