

26 July 2013

Quarterly Report for the three months to 30 June 2013

Production and costs

- 2013 production guidance maintained for Phu Kham. Gold production scheduled to rise at Ban Houayxai to over 110,000oz for the full year following a revised mine plan based on the 2013 Ore Reserve estimate.
- C1 costs and total cash costs at both mines remain industry competitive, despite being impacted by lower received precious metal prices. Total cash costs at both sites benefited from a scheduled reduction in sustaining capital expenditure.
- Phu Kham production of 15,483t copper in concentrate at a C1¹ cash cost of US\$1.45/lb copper. Total cash costs remain in-line with the previous quarter at US\$2.12/lb copper.
- Construction of the Phu Kham Increased Recovery Project was completed in mid-April and metallurgical recoveries were meeting the design recovery model by the end of June.
- Ban Houayxai produced 28,712oz of gold at a C1 cash cost of US\$603/oz and total cash costs of only \$757/oz (11% and 26% reduction respectively on March quarter performance).

Free cash rising as capital expenditure reduces

- Free cash from the Operations (before regional exploration and new project evaluation work) is expected to rise sharply (assuming prevailing spot prices) during the December half of the year following the completion of all board approved capital developments and a significant reduction in sustaining and discretionary capital.
- Sustaining capital will be substantially lower during the December half at both Phu Kham and Ban Houayxai following the completion of lifts (during the June half) at the respective tailings storage facilities.
- Project evaluation costs are reducing as resource drilling and studies on pre-development projects in Chile and Laos near completion.

Corporate

- At 30 June 2013 the Company had cash of US\$84.9 million, debt of US\$162.0 million (excluding equipment lease facilities) and undrawn facilities of US\$113.0 million.

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.

2013 WINNER
PROJECT DEVELOPMENT OF THE YEAR



2013 WINNER – SUSTAINABILITY LEADERSHIP
2010/2011 WINNERS – BEST COMMUNITY DEVELOPMENT



2011 LAO PDR LABOUR ORDER CLASS 1
BEST RURAL DEVELOPMENT



2011 WINNER – SOCIAL/COMMUNITY
PRESENTED BY ETHICAL INVESTOR



Phu Kham Operation, Laos (PanAust 90%)

Introduction

Copper in concentrate production increased 13% quarter on quarter to 15,483t on both higher ore processing rates and copper head grade. The average C1 cash cost was US\$1.45/lb copper (Table 1) after precious metal credits.

The increase in C1 costs quarter on quarter largely reflects unscheduled maintenance on Ball Mill No. 2 in April together with lower precious metal credits following the fall in gold and silver prices. The latter impact will be offset in the December half by higher metal production as the benefits of the Increased Recovery Project flow.

Total cash costs, including royalties and sustaining capital (see Table 6), were US\$2.12/lb copper, in-line with the prior period due to lower levels of sustaining capital during the June quarter.

Table 1: Production and cost summary

Phu Kham Operation Production summary (100% equity basis)	Units	3 months to 30 Jun 2013	6 months to 30 Jun 2013
Copper in concentrate	t	15,483	29,236
Gold in concentrate	oz	16,092	30,441
Silver in concentrate	oz	69,773	166,596
C1 cash cost after precious metal credits ²	US\$/lb Cu	1.45	1.37

Further details of the production and cost performances are contained in Table 5 and Table 6 of this report

Production Performance

Consecutive monthly mining records in May and June led to quarterly records for total material mined (10.5Mt) and ore mined (5.1Mt). The increased mining rates and positive grade reconciliation meant that a lower proportion of marginal grade mineralisation was required to maintain mill feed and consequently copper and gold head grades exceeded the budget.

The Operation processed ore at a rate equivalent to 17.4Mtpa despite the mill operating time falling to 90% for the quarter (target 93%) as a result of the unscheduled ball mill maintenance. The lower availability was offset by a record quarterly average mill throughput rate of 2,222t/hr.

Construction of the Increased Recovery Project was completed in mid-April with ramp-up and optimisation well advanced by the end of the quarter. Accordingly, copper recovery rates have steadily increased and in June the relative improvement in copper recovery was estimated to be five percentage points consistent with the design recovery model.

During the quarter, a significant quantity of relatively high-pyrite and partially oxidised (transitional) ore was processed. High-pyrite transitional ore has poorer flotation characteristics than most primary ore types and thereby exhibits lower metallurgical recoveries. In the September quarter, ore quality is scheduled to improve for higher copper and gold production in the second half of the year.

Pay-metal in concentrate sales during the quarter totalled 14,597t of copper, 17,054oz of gold and 69,529oz of silver. The average copper, gold and silver prices realised (after hedging) were US\$3.24/lb, US\$1,377/oz and US\$20.5/oz respectively.

² Based on invoiced pricing for gold and silver.

Mine site costs for both the June 2013 quarter and calendar year to date are below budget. With mining activities focused on the near-surface, upper benches of the open pit, fuel consumption rates have been relatively low. Unit processing costs were above budget in the June quarter due to increased one-off maintenance costs which more than offset lower consumption rates for key consumables and lower grinding media prices.

Sustaining capital expenditure at Phu Kham has historically been dominated by development costs for the Tailings Storage Facility (TSF). The most recent TSF lift was completed during the June 2013 quarter, which has resulted in a substantial increase in tailings catchment. A review is being undertaken to determine when the next TSF lift will be required, however, it is envisaged that expenditures for the next twelve months will be significantly reduced.

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

Introduction

Ban Houayxai has emerged as a low cost gold producer on both a C1 and total cash cost basis.

Quarterly production was 28,712oz gold in doré at an average C1 cash cost of US\$603/oz gold after silver credits (Table 2) an 11% quarter-on-quarter reduction in C1 cash costs.

Total cash costs fell 26% quarter-on-quarter to US\$757/oz gold following completion of work on the TSF in the March 2013 quarter (see Table 7).

Table 2: Production summary

Ban Houayxai Operation <i>Production summary (100% equity basis)</i>	Units	3 months to 30 Jun 2013	6 months to 30 Jun 2013
Gold poured	oz	28,712	52,848
Silver poured	oz	136,356	258,620
C1 cash cost after precious metal credits ³	US\$/oz	603	637

Further details of the production and June cost performances are contained in Table 5 and Table 7 of this Report.

Production Performance

Total tonnes milled increased 13% quarter on quarter to an annualised rate of 4.4Mt. A higher mill throughput rate was achieved following a reline of the SAG mill in March which allowed the grinding media charge to be increased. The silver grade of ore processed increased (up 9% quarter on quarter to 6.93g/t) with a greater proportion of transitional ore in mill feed.

A revised life of mine plan (based on the 2013 Ore Reserve estimate) has scheduled 2013 full year gold production of 110,000oz, 10% higher than the assumption for production guidance.

Sales during the quarter totalled 27,351oz of gold and 123,380oz of silver. Average realised gold and silver prices (after hedging) were US\$1,398/oz and US\$22.1/oz respectively.

Mine site costs (before inventory adjustments) were below budget for both the March and June 2013 quarters. Mining costs benefited from lower material movements than envisaged.

Processing and site support charges were in-line with budget.

³ Based on invoiced pricing for silver.

A second lift on the TSF was completed in the March 2013 quarter which led to increased sustaining capital in that period. Sustaining capital fell to more normal levels in the June 2013 quarter, averaging US\$20/oz. The next TSF lift is scheduled for construction in 2017.

Resource extension and infill drilling continued during the quarter and includes the targeting of deeper primary gold mineralisation that extends beneath the currently designed final open-pit limit. Significant results are presented in Table 8 and included:

- HDD329: 4 metres at 28.9g/t gold and 658.5g/t silver from a depth of 191 metres
- HDD326: 7 metres at 10.9g/t gold and 15.6g/t silver from a depth of 63 metres

Outlook

Production

2013 production guidance remains unchanged. PanAust estimates consolidated full year 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.

Costs

The cost structures at both mine sites are consistent with the aggregated operating costs that supported guidance.

If the recent fall in precious metal prices is sustained during the December half of 2013, this will lead to lower by-product credits than envisaged when C1 cost guidance was estimated at the beginning of the year. The recent volatility in precious metal prices makes it problematic to select prices for forecasting purposes at this time. As such, sensitivities of C1 cash costs to by-product prices for both mine sites are provided.

Phu Kham C1 cash costs are sensitive to prolonged fluctuations in the gold price, with a US\$100/oz variation in the received gold price representing a change of approximately US\$0.04/lb on the copper C1 cash cost. At Ban Houayxai C1 cash costs are sensitive to a prolonged changes in silver price, with a US\$5/oz variation in the silver price representing a change of approximately US\$30/oz on the gold C1 cash cost.

For reference purposes, the full year C1 cash cost estimates for both mines at precious metal prices previously used for guidance purposes (of US\$1,700/oz gold and US\$30/oz silver) were US\$1.15/lb to US\$1.25/lb copper for Phu Kham and US\$550/oz to US\$600/oz gold for Ban Houayxai.

Free cash

Free cash (after sustaining capital, corporate overheads and taxes, and before finance, exploration and project evaluation costs) from the Operations is expected to rise sharply (assuming spot prices) during the December half of the year following the completion of all board approved capital developments and a significant reduction in sustaining and discretionary capital. The reduction in discretionary capital is commensurate with the near completion of project evaluation and resource drilling at the Inca de Oro Project/Carmen deposit in Chile and the Phonsavan Project in Laos.

The completion of the Increased Recovery Project at Phu Kham signals the completion of some \$350 million of capital developments over the past 2-3 years including the construction of the Ban Houayxai Gold-Silver Operation and the Phu Kham Upgrade. Taken as a whole, these programs were completed within budget and each project ramped-up to design rates ahead of schedule.

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.

Phonsavan Copper-Gold Project (PanAust 90%)

A pre-feasibility study is underway at the Phonsavan Copper-Gold Project and will be completed during the September quarter. The study is evaluating the development of a five to seven million tonne integrated open pit mining and flotation processing operation at the KTL copper-gold deposit producing approximately 20,000-25,000tpa copper in concentrate with precious metal credits.

An alternative development scenario for the deposit has recently been added to the scope of the study, whereby discrete high-grade copper-gold zones at the KTL deposit are mined and trucked to Phu Kham for processing. This low capital cost scenario contemplates the utilisation and improvement of established road infrastructure in the region.

The program of infill drilling at KTL was concluded during the quarter. Drill results received during the quarter are presented in Table 9 and include:

KDD280:	26 metres at 1.30% copper, 0.27g/t gold and 4.1g/t silver from 122 metres
KDD283:	18 metres at 1.28% copper, 0.49g/t gold and 5.1g/t silver from 184 metres
KDD293:	14 metres at 1.61% copper, 0.18g/t gold and 11.6g/t silver from 72 metres
KDD280:	14 metres at 1.26% copper, 0.22g/t gold and 2.8g/t silver from 146 metres

A program of scout drilling at the Phu Noum copper prospect, which is located approximately 4 kilometres southeast of KTL, concluded during the quarter. The drilling intersected copper-gold mineralisation similar in style to that intersected at KTL. Drilling results received during the quarter are presented in Table 9.

Phu Kham district incorporating Long Chieng Track (LCT), Nam Ve 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.

LCT

The deposit outcrops and extends over a strike length of approximately 450 metres in a northeast-southwest direction, dipping steeply to the northwest and remains open down-dip and along strike.

The deposit comprises two broad zones of poly-metallic mineralisation associated with a silicified breccia complex that hosts a series of porphyritic intrusions. An upper zone is gold and silver rich while the lower zone contains base metals together with gold and silver.

A scoping study commenced during the quarter aimed at identifying development options for the gold-silver and copper-gold mineralisation.

A program of infill and extensional drilling was concluded during the quarter. The drilling has extended the limits of known mineralisation. Data will be incorporated into the geological model for preparation of an updated mineral resource estimate.

Drilling results received during the quarter are presented in Table 10 and included:

Copper-gold mineralisation:

LDD097: 6 metres at 3.86% copper, 13.65g/t gold and 107.1g/t silver from 189 metres

LDD096: 13 metres at 0.95% copper, 1.15g/t gold and 61.4g/t silver from 147 metres, and 4 metres at 0.79% copper, 0.22g/t gold and 4.4g/t silver from 189 metres

LDD093: 7 metres at 0.84% copper, 1.87g/t gold and 34.3g/t silver from 367 metres

Gold-silver mineralisation:

LDD093: 7 metres at 25.5g/t gold and 10.1g/t silver from 232 metres

LDD102: 19 metres at 1.67g/t gold and 3.1g/t silver from 50 metres

Poly-metallic mineralisation:

LDD092: 5 metres at 16% zinc, 7.8% lead, 0.99% copper, 5.63g/t gold and 25.9g/t silver from 246 metres

Nam Ve

Scout drilling targeted a zone of high-grade gold veins that outcrop in the area and has also intersected zones of copper-gold mineralisation over a strike length of 300m to 400m. The mineralisation is hosted in quartz veins / lodes and is similar to the quartz veins present at the LCT deposit. Geological interpretation is in progress and will guide the next phase of exploration drilling.

Drilling results received during the quarter are presented in Table 10.

Nam San

Interpretation of the geology and mineralisation controls is continuing and will be incorporated into an inaugural mineral resource estimate.

Haul Road

The Haul Road prospect lies immediately to the northwest of the Phu Kham open pit where a program of scout drill during 2008 intersected broad zones of copper-gold mineralisation up to a

kilometre from the planned pit perimeter. A program of 17 drill holes was completed during the quarter. Drilling results received during the quarter are presented in Table 10 and included:

GRC1174: 46 metres at 0.40% copper, 0.54g/t gold and 0.7g/t silver from 46 metres

Inca de Oro Copper-Gold Project, Chile (60.45% PanAust, joint venture with CODELCO)

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.

Study work indicates that the processing of Inca de Oro oxide mineralisation would provide a positive contribution to the project.

Securing of competitively priced power is a key consideration for the Project. Several proposals for the supply of electrical power to the project have now been received and are currently being reviewed.

Background

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.

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

A program of drilling continued during the quarter at the Carmen deposit which is situated approximately 14 kilometres southwest of Inca de Oro.

The Carmen deposit is near-surface and, subject to the results from 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 processing schedule of higher value (through a higher contained metal value and potentially lower strip ratio) 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.

Drilling results are encouraging and PanAust expects that this will lead to a significant upgrade to the Carmen Mineral Resource before the end of this year.

Drilling indicates that two episodes of mineralisation are present: an earlier iron oxide copper-gold phase overprinted by later porphyry-style mineralisation. The deposit remains open to the east and west, and the central zone of mineralisation remains open at depth with several sub vertical drill holes ending in 0.3% - 0.5% copper mineralisation at down-hole depths in excess of 425 metres.

Drill results received during the quarter are presented in Table 11 and included:

CAR090: 109 metres at 0.48% copper, 0.15g/t gold and 2.3g/t silver from 142.5 metres

Sustainability

Safety

Two lost time injuries (LTI) occurred during the June quarter.

- An employee working on the increased recovery project demobilisation was injured when he fell while dismantling roof sheeting. All working at height activities were suspended pending completion of an investigation.
- The driver of a bus received lacerations in a vehicle collision while travelling on national highway 13N.

The LTI frequency rate (LTI's per million man-hours) on a 12-month rolling average basis at 30 June 2013 was 0.16.

Environment

There were no reportable environmental incidents during the June 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 30 June 2013, the Company had cash of US\$84.9 million, debt of US\$162.0 million, undrawn debt facilities of US\$113.0 million, and mobile equipment lease facilities drawn to a total of US\$78.1 million. The PanAust final dividend payment for the 2012 financial year of A\$20.3 million (excludes dividend paid to shareholders in the form of shares under the Dividend Reinvestment Plan) was paid in early April 2013.

Copper price exposure

PanAust's copper hedging positions and fixed price agreements as at 30 June 2013 are summarised in Tables 3 and 4.

Table 3: Hedging and fixed price agreements on provisional invoicing

Settlement period	Tonnes	Average Price US\$/lb
September Qtr 2013	7,200	3.30

Table 4: Strategic hedging:

Settlement period	Tonnes	Average Strike Price US\$/lb	Premium payable US\$
Copper Put Options:			
December half 2013	1,940	2.25	952,162
June half 2014	1,994	2.25	605,668
December half 2014	1,760	2.25	587,080
Copper Swaps:			
Settlement period	Tonnes	Average Price US\$/lb	
December Qtr 2013	2,125	3.66	

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 30 June 2013, a total of 7,200t (58%) of PanAust's copper sales from shipments for the period from April 2013 to June 2013, that are currently subject to provisional pricing, are covered by hedging and fixed price agreements at an average copper price of US\$3.30/lb.

Gold/Silver price hedging

PanAust currently has no gold or silver hedging in place.

Issued Capital

The issued capital of the Company at 30 June 2013 comprised:

619,084,930	Ordinary fully paid shares
3,120,000	Unlisted options
1,099,743	Unlisted share rights

Proposed 2013 reporting calendar:

- 22 August 2013 June half 2013 Financial Results
- 29 October 2013 September quarter 2013 report

Dates are provisional and remain subject to confirmation.

For further information contact:

Investors:

Gary Stafford Managing Director
Joe Walsh General Manager Corporate Development
Allan Ryan Investor Relations Manager
Telephone: (07) 3117 2000
Facsimile: (07) 3846 4899
Email: info@panaust.com.au
Website: www.panaust.com.au

Media:

Dudley White or Garry Nickson
MAGNUS
Tel: +61 2 8999 1010

Registered and principal office

Level 1, 15 James Street,
Fortitude Valley, Brisbane
Qld 4006

Securities Exchange Listing

Australian Securities Exchange Code: PNA
PanAust is a constituent of the S&P/ASX 100 Index.

Shareholder enquiries to:

Computershare Registry Services
PO Box 523, Brisbane Qld 4001
Telephone: 1300 552 270
Facsimile: (07) 3229 9860
Website: www.computershare.com.au

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 5: Production and sales statistics

Phu Kham Copper-Gold Operation	Units	3 months to 30 Jun 2013	6 months to 30 Jun 2013
Total material mined	t	10,526,503	20,160,741
Copper-gold ore mined	t	5,056,568	9,174,219
Ore milled	t	4,340,223	8,453,020
Copper head grade	%	0.51	0.49
Gold head grade	g/t	0.28	0.27
Silver head grade	g/t	1.41	1.72
Concentrate produced	dmt	68,243	129,774
Copper in concentrate	t	15,483	29,236
Gold in concentrate	oz	16,092	30,441
Silver in concentrate	oz	69,773	166,596
Copper recovery	%	70.4	71.1
Concentrate sales	dmt	69,023	127,071
Payable copper in concentrate sold	t	14,597	27,070
Payable gold in concentrate sold	oz	17,054	30,013
Payable silver in concentrate sold	oz	69,529	165,651
Average copper price realised (copper revenue recognised / sales) after realised hedging	US\$/lb	3.24	3.41
Average gold price realised (gold revenue recognised / sales) after realised hedging	US\$/oz	1,377	1,479
Average silver price realised (silver revenue recognised / sales) after realised hedging	US\$/oz	20.5	25.8
Ban Houayxai Gold-Silver Operation			
Total material mined	t	1,960,639	3,775,294
Gold-silver ore mined	t	1,493,578	2,584,126
Ore milled	t	1,094,456	2,062,987
Gold head grade	g/t	0.89	0.88
Silver head grade	g/t	6.93	6.66
Gold in doré	oz	28,712	52,848
Silver in doré	oz	136,356	258,620
Gold recovery	%	87.1	87.8
Payable gold in doré sold	oz	27,351	52,632
Payable silver in doré sold	oz	123,380	248,036
Average gold price realised (gold revenue recognised / sales) after realised hedging	US\$/oz	1,398	1,510
Average silver price realised (silver revenue recognised / sales) after realised hedging	US\$/oz	22.1	25.9

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

Table 6: Phu Kham Copper-Gold Operation production costs (US\$/lb copper)

	3 months to 30 Jun 2013	6 months to 30 Jun 2013
Mining cost	0.72	0.79
Deduct deferred mining costs	(0.09)	(0.17)
Inventory adjustments	(0.13)	(0.10)
Processing cost	0.93	0.89
General and administration	0.25	0.25
Total on-site operating costs	1.68	1.66
Transport handling and marketing	0.31	0.32
Concentrate treatment and refining	0.23	0.20
Total off-site operating costs	0.54	0.52
Deduct precious metal credits	(0.77)	(0.81)
Total direct operating costs (C1 cash cost)	1.45	1.37
Royalty	0.21	0.22
Sustaining capital (includes TSF)	0.30	0.36
Lease principal and interest charges	0.16	0.17
Total cash costs	2.12	2.11

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

Table 7: Ban Houayxai Gold-Silver Operation production costs (US\$/oz gold)

	3 months to 30 Jun 2013	6 months to 30 Jun 2013
Mining cost	258	276
Deduct deferred mining costs	-	-
Inventory adjustments	(54)	(62)
Processing cost	349	391
General and administration	143	144
Total on-site operating costs	696	749
Total off-site operating costs (freight, refining)	10	10
Deduct silver credit	(103)	(122)
Total direct operating costs (C1 cash cost)	603	637
Royalty #	87	98
Sustaining capital (includes TSF)	20	97
Lease principal and interest charges	47	46
Total cash costs	757	878

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

The March quarter 2013 data for royalty was incorrectly stated as US\$202/oz. The correct data was US\$111/oz and is reflected in the year to date data.

Resource and exploration drilling results

Table 8: Ban Houayxai Gold-Silver Project; significant drill intersections

Hole No. Depth of hole Orientation	Easting WGS84 (m)	Northing WGS84 (m)	From (m)	Interval (m)	Gold grade (g/t)	Silver grade (g/t)
HDD317 563m -60 to 180	255754	2094857	72.0	2.0	5.50	398.0
			397.0	6.0	0.79	1.3
			469.0	7.0	0.39	21.0
			481.0	14.0	0.88	47.0
HDD318 474 m -60 to 180	255714	2094810	84.0	34.0	0.39	1.6
			285.0	8.0	0.59	1.6
HDD319 585m -60 to 180	255950	2094722	230.0	23.0	0.73	6.0
			259.0	21.0	0.55	15.4
			373.0	23.0	0.63	1.8
			427.0	67.0	0.66	2.7
			502.0	24.0	0.48	14.4
HDD320 478m -60 to 180	255804	2094768	285.0	15.0	0.73	2.3
			349.0	17.0	0.32	1.7
			391.0	24.0	1.00	35.8
HDD321 648m -60 to 180	255902	2094836	403.0	19.0	1.06	1.4
			427.0	10.0	1.18	3.9
			444.0	11.0	1.81	3.7
HDD322 612m -60 to 180	255855	2094810	216.0	7.0	0.37	16.1
			485.0	10.0	0.57	17.4
HDD323 575m -60 to 180	256011	2094611	359.0	19.0	0.45	1.5
			385.0	10.0	0.36	2.7
			430.0	20.0	0.64	3.3
			455.0	11.0	0.59	4.1
HDD324 204m -60 to 180	256001	2094026	0.0	10.0	0.74	21.0
			23.0	10.0	1.56	6.9
			40.0	8.0	0.45	13.9
			66.0	13.0	0.62	4.5
HDD325 167m -60 to 180	256036	2094302	4.0	11.0	0.67	6.9
			78.0	7.0	0.82	13.6
			95.0	22.0	0.34	6.7
			140.0	17.0	0.98	25.6
HDD326 247m -60 to 180	256007	2094080	63.0	7.0	10.94	15.6
			92.0	33.0	0.44	4.2
			132.0	6.0	0.58	13.3
HDD327 184m -60 to 180	256064	2094295	74.0	47.0	0.46	7.7
HDD328 163m -60 to 180	256066	2094250	0.0	90.0	0.77	9.9

Hole No. Depth of hole Orientation	Easting WGS84 (m)	Northing WGS84 (m)	From (m)	Interval (m)	Gold grade (g/t)	Silver grade (g/t)
HDD329 210m -60 to 180	256074	2094230	1.0 191.0	51.0 4.0	1.44 28.9	8.2 658.5
HRC385 480m -60 to 180	255752	2094802	396.0	24.0	0.40	21.4

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 9: 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:							
KDD279 83m -60 to 360	320646	2150042	10.0	12.0	1.00	0.51	3.3
KDD280 195m -60 to 360	320250	2149651	66.0	6.0	1.63	0.71	12.3
			122.0	26.0	1.30	0.27	4.1
			162.0	8.0	0.65	0.18	2.1
KDD282 149m -60 to 360	320346	2149781	88.0	22.0	0.48	0.89	2.0
KDD283 277m -60 to 360	320702	2149791	136.0	12.0	0.76	0.51	4.3
			184.0	18.0	1.28	0.49	5.1
			Incl.: 190.0	6.0	3.31	1.30	10.8
			218.0	34.0	0.74	0.43	3.2
KDD285 150m -60 to 360	320157	2149750	50.0	22.0	0.43	0.20	2.2
KDD286 247m -60 to 360	320602	2149841	54.0	8.0	0.50	0.19	3.4
			76.0	4.0	0.35	0.12	2.2
			86.0	18.0	0.47	0.33	3.4
			162.0	6.0	0.94	0.81	5.9
			178.0	28.0	0.85	0.35	2.7
KDD287 229m -60 to 360	320445	2149767	146.0	14.0	1.26	0.22	2.8
KDD288 76m -60 to 360	320352	2149703	26.0	18.0	0.40	0.08	1.8
KDD289 233m -60 to 360	319952	2149759	94.0	30.0	0.61	0.03	1.8
			140.0	8.0	0.31	0.01	1.6
			158.0	8.0	0.41	0.01	1.7

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)
KDD290 292m -60 to 360	319947	2149657	94.0 144.0 192.0	22.0 8.0 14.0	0.41 0.37 0.57	0.15 0.10 0.16	3.5 2.2 2.6
KDD291 152m -60 to 360	319552	2149901	46.0 90.0	26.0 6.0	0.44 0.42	0.16 0.52	2.7 2.1
KDD292 107m -60 to 360	319298	2150053	6.0 32.0 44.0	8.0 6.0 10.0	0.64 0.40 0.53	0.06 0.04 0.07	3.1 2.1 1.8
KDD293 133m -60 to 360	319201	2150053	12.0 52.0 72.0	14.0 14.0 14.0	0.32 0.60 1.61	0.17 0.11 0.18	4.7 5.0 11.6
KDD294 158m -60 to 360	319848	2149796	40.0 72.0	10.0 8.0	0.31 0.44	0.18 0.01	3.5 2.4
Phu Noum copper-gold prospect							
PNDD010 203m -55 to 360	323987	2147334	104.0	8.0	0.35	0.77	4.7
PNDD011 197m -55 to 360	324359	2147500	68.0	8.0	0.34	0.05	3.1

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 10 : 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 deposit:							
LDD082D1 413m -55 to 178	276684	2094188	277.0	19.0	-	0.79	1.3
LDD086D1 379m -55 to 170	277041	2094673	184.0 264.0	16.0 10.0	- 0.61	0.33 0.06	1.4 3.9
LDD087 441m -60 to 178	277011	2094435	0.0 40.0 118.0 232.0 442.0	32.0 21.0 11.0 7.0 11.0	- - - - 0.16	0.91 0.40 0.54 25.50 1.24	1.0 4.2 11.6 10.1 17.1
LDD090 431m -60 to 178	276799	2094296	29.0 61.0	11.0 4.0	- -	0.55 1.32	11.7 13.9

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)
LDD091D1 363m -60 to 178	276701	2094345	280.0	4.0	-	0.92	5.0
LDD092 354m -60 to 178	276521	2093965	65.0 237.0 Incl.: 246.0*	3.0 20.0 5.0	- 0.30 0.99	2.26 1.78 5.63	13.6 10.3 25.9
* Poly-metallic intersection also included 7.8% lead and 16% zinc.							
LDD093 444m -60 to 178	276750	2094430	288.0 326.0 354.0 Incl.: 367.0	14.0 18.0 61.0 7.0	- 0.68 0.18 0.84	0.45 0.69 0.78 1.87	9.0 35.3 11.0 34.3
LDD094/94D1 394m -60 to 178	276806	2094465	125.0 188.0 300.0	25.0 66.0 12.0	- - -	0.44 0.56 0.85	2.9 4.7 8.7
LDD095 530m -60 to 178	276576	2094155	473.0	12.0	-	0.47	10.3
LDD096 375m -60 to 178	276756	2094281	147.0 189.0	13.0 4.0	0.95 0.79	1.15 0.22	61.4 4.4
LDD097 288m -60 to 178	276803	2094384	125.0 189.0	11.0 6.0	0.20 3.86	1.32 13.65	20.5 107.1
LDD098D1 353m -62 to 178	276746	2094345	125.0 154.0	22.0 14.0	0.14 0.09	0.64 0.46	16.3 11.9
LDD099 281m -55 to 170	276885	2094426	45.0 73.0	18.0 16.0	- -	0.33 0.71	1.6 5.6
LDD100 141m -55 to 175	276951	2094392	0.0 58.0 115.0	49.0 9.0 18.0	- - -	1.21 0.32 0.50	1.1 3.0 0.4
LDD100D1 324m -55 to 178	276951	2094392	117.0 219.0	15.0 12.0	- -	0.73 0.63	0.5 1.2
LDD102 493m -61 to 174	276939	2094465	50.0 144.0 361.0 422.0	19.0 19.0 51.0 18.0	- - - 0.20	1.67 0.34 0.62 1.07	3.1 1.9 3.7 5.5
Nam Ve gold prospect:							
VDD011 200m -60 to 270	270920	2097124	96.0 104.0	3.0 4.0	0.74 1.22	2.98 0.63	22.8 19.5

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)
VDD013 200m -60 to 270	271054	2096941	36.0	9.0	-	1.30	2.9
VDD014 188m -60 to 270	270965	2097054	34.0	3.0	0.25	2.26	10.6
Haul Road							
GDD1165 200m -60 to 270	279764	2090457	90.0 112.0 126.0	4.0 8.0 4.0	0.32 0.41 0.40	0.04 0.19 0.10	3.5 1.0 1.0
GRC1173 100m -60 to 090	279471	2090261	34.0	8.0	0.34	0.64	1.8
GRC1174 150m -60 to 270	279466	2090359	42.0	46.0	0.40	0.54	0.7
GRC1177 84m -60 to 270	279369	2090367	50.0	12.0	0.43	0.20	1.1
GRC1178 75m -60 to 270	279280	2090372	28.0 38.0	4.0 10.0	0.33 0.52	0.37 0.20	1.5 1.3

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.

Table 11: Carmen; significant drill intersections

Hole No. Depth of hole Orientation	Easting PSAD56 (m)	Northing PSAD56 (m)	From (m)	Interval (m)	Copper grade (%)	Gold grade (g/t)	Silver grade (g/t)
CAR100 400m -60 to 270	405380	7031368	61.5	21.0	0.12	0.74	1.3
CAR101 392m -60 to 270	405420	7030875	0.0	31.5	0.20	0.30	1.4
CAR112 100m -90 to 000	405412	7031026	30.0 43.5	9.0 51.0	0.40 0.41	0.58 0.15	2.2 2.1
CAR118 444m -70 to 270	405554	7031050	39.0 204.0 238.5 366.0 391.5	15.0 13.5 7.5 16.5 22.5	0.40 0.32 0.41 0.48 0.51	0.06 0.16 0.13 0.28 0.22	1.6 1.1 1.7 2.7 2.7
CAR104 400m -60 to 320	404704	7030998	1.5	4.5	0.07	3.31	3.5

Hole No. Depth of hole Orientation	Easting PSAD56 (m)	Northing PSAD56 (m)	From (m)	Interval (m)	Copper grade (%)	Gold grade (g/t)	Silver grade (g/t)	
CAR116 364m -58to 090	405508	7030947	142.5	109.5	0.48	0.15	2.3	
			Incl.:					
			147.0	28.5	0.71	0.30	3.5	
			258.0	18.0	0.40	0.07	1.2	
CAR117 315m -69 to 090	405501	7031155	201.0	9.0	0.33	0.03	1.0	
			222.0	4.5	0.65	0.06	0.65	
CAR119 450m -69 to 270	405550	7031099	175.5	28.5	0.40	0.06	1.0	
			240.0	37.5	0.41	0.15	1.1	
			388.5	16.0	0.47	0.27	1.1	
			266.0	24.0	0.48	0.28	2.7	
CAR122 484m -69 to 270	405594	7031007	171.0	6.0	0.37	0.14	1.9	
			187.5	4.5	0.39	0.18	1.8	
			171.0	28.5	0.40	0.21	1.7	
CAR123 189m -70 to 270	405555	7030947	1.5	12.0	0.16	0.52	1.0	
CAR126 355m -70 to 270	405400	7030950	1.5	31.5	0.35	0.45	1.6	
			262.5	7.5	0.64	0.40	2.2	
			294.0	4.5	0.38	0.08	0.5	

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 (DD) core samples submitted for analysis are typically taken at nominal 2-metre intervals for drilling in Laos, and 1.5-metre intervals for drilling at the Carmen and Inca de Oro deposits. 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. Core drilling is predominantly PQ diameter with core recovery greater than 90% unless otherwise noted. 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. Samples sourced from drill programs in Laos 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). Drill samples collected from drilling in Chile were prepared at ALS La Serna, Chile.

Competent Person Statements

The data in this report that relate to exploration results and discussion of 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) and a Registered Member of the Society for Mining, Metallurgy & Exploration (SME).

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 discussion of 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.