

ASX ANNOUNCEMENT
3 March 2009

Issue of Shares under PanAust Share Purchase Plan

PanAust Limited (PanAust) is pleased to announce that it will today issue shares to those eligible shareholders who made applications under its Share Purchase Plan (SPP). This follows finalisation of the processing of all applications.

A total of 175,952,743 shares will be issued to 4,176 shareholders at an issue price of just under A\$0.15 per shareⁱ (the price of the recent share placement). The total amount raised was A\$26,366,150. There has been no scale back.

PanAust Managing Director, Mr Gary Stafford, said that he was delighted with the response to the SPP from shareholders.

“In addition to the share placement, this successful capital raising places PanAust in a strong position. We now have a significant working capital buffer and the funds to advance the Ban Houayxai Gold Silver Project and the Puthep Project in northern Thailand.”

Some 1,839 shareholders applied for their full entitlement of \$10,000 worth of shares, representing a total of approximately 44% of all applications.

Mr Gary Stafford said: “The fact that such a large number of shareholders applied for the maximum entitlement is a significant vote of confidence in the future of PanAust.”

Allotment notices will be issued on 6 March 2009. This is also the expected quotation date.

ABN AMRO Morgans were the lead manager of the SPP.

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ⁱ The issue price is A\$0.14985 per share, being a 7.5% discount to the average of the closing prices on the five trading days prior to the issue date. The number of shares issued to each applicant is rounded up.