

ASX ANNOUNCEMENT
21 September 2009

Appointment of Zezhong Li as GRAM's nominee Director on the Board of PanAust

PanAust Limited is pleased to announce that Mr Zezhong Li has joined the Board of Directors as the nominee Director for Guangdong Rising Assets Management (GRAM). Mr Zezhong Li's appointment follows the successful completion of the share placement to GRAM.

Mr Garry Hounsell, the Chairman of the Board of Directors, said: "PanAust is delighted to welcome Mr Zezhong Li to the Board of PanAust Limited. The Board has been very impressed with the professionalism and expertise with which Mr Zezhong Li has represented GRAM's interests in this transaction. I am sure that he will make a very positive contribution to the Board."

Mr Zezhong Li is the Vice President of GRAM. He has held this position since November 2008. Previously, he was the Department Head of Capital Markets for GRAM. Prior to joining GRAM, Mr Zezhong Li worked for the Poverty Alleviation Office of the State Council and was a consultant to the United Nations Development Programme. He has a Master of Laws degree from Peking University and a Masters in Public Administration in International Development from the Harvard Kennedy School of Government in the United States. Mr Zezhong Li is also a director of Shenzhen Zhongjin Lingnan Nonferrous Metal Co Ltd, a company listed on the Shenzhen Stock Exchange (ticker 000060).

Mr Gary Stafford, the Managing Director of PanAust said: "I have been working closely with Mr Zezhong Li over the last 6 months and look forward to doing so well into the future. The successful completion of the share placement to GRAM represents a milestone for PanAust. PanAust now has a cornerstone investor which shares PanAust's strategic growth aspirations. With the paydown of US\$100 million of project debt and remaining cash of approximately US\$80 million, PanAust is effectively net debt free. This puts PanAust in a strong financial position to pursue both organic and other growth opportunities."

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