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AMDAL on track for June approval

Paramount Mining Corporation Limited (ASX:PCP) has completed a highly successful Community Forum meeting, with full support for AMDAL/EIA approval for the Company's Gunung Rosa Project.

No major issues were raised by the community, or other third parties, during the subsequent mandatory two-week public consultation period, allowing the final application documentation to be lodged by the Company to the Environmental Department.

This completes the last formal step towards receiving the AMDAL approval from the Bupati and reopening the high-grade Gunung Rosa gold, silver and base metals mine.

With this milestone in place the key next steps required to develop the mine include updating the JORC Resource, rehabilitating the existing underground mine workings, commencing the related engineering studies and commencement of construction activities.

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About Paramount: Paramount is an ASX-listed mining company focussing on precious and base metal deposits in Asia, and in particular Indonesia. The Gunung Rosa project is a high-grade gold, silver and base metals sulphide mine 125km south of Jakarta in West Java which has the potential to be a low cost operation. The project is the flagship project for Paramount and the Company presently holds a controlling 72.25% equity interest with rights of first refusal on the remaining shareholding.

The project has a 20 year Mining Permit (Operation/Production IUP), which was issued in 2010 and has from late 2012 been under Paramount management at the operating level. It is presently in the pre-development phase with Project development scheduled to commence in late 2014 and gold production expected within 18 months of the construction start.

This poly-metallic mineralisation, trending N-S, is known to extend under soil cover from surface to 240m depth, as a sub-vertical, on average 2.26m wide, mesothermal vein with a drilled strike of approximately 900m with geological evidence of some 2.5km of strike; it remains geologically open to the north, south and to depth beyond the present limit of drilling.

The project was extensively developed underground on the 900m of strike, following a positive Definitive Feasibility Study in the early 1990s, by sinking a mining decline, vertical shafts and development drives on four levels up until the Asian Financial Crisis whereupon it was curtailed due to the lack of availability of debt financing. The project has not advanced since that time despite the significant increase in the value of gold in real terms.