



ASX Announcement

PanTerra Gold Limited

ASX: PGI

Las Lagunas Albion/CIL Process Plant Update

PanTerra Gold Limited (ASX: PGI) (PanTerra Gold or the "Company"), advises that further to its ASX announcement dated 19 August 2014, the Company completed a 14 day period of collecting performance data from its Las Lagunas Albion/CIL process plant in the Dominican Republic on 27 August 2014, at a baseline feed rate of 80tph (80% of nameplate capacity).

This follows completion of a major modification to the plant involving increased reactor capacity to the Albion circuit, which has improved oxidation efficiency in the treatment of the Las Lagunas refractory concentrate.

The results have been encouraging with recoveries in line with expectation.

	Target	Actual 14 Day Average
Au head grade	3.76g/t	3.99g/t
Feed rate	80.0tph	78.5tph
Plant availability	90.0%	87.8%
Throughput	1730tpd	1655tpd
Flotation Au recovery	80.0%	80.0%
CIL Au recovery	65.0%	66.0%
Overall Au recovery	52.0%	52.8%
Daily Au recovery	108oz	112oz

The plant has moved to a 90tph feed rate, and on 15 September 2014 the feed rate will be increased to 100tph. Results will be reported.

The Company has engaged three highly regarded consultants specialising in flotation, oxidation, and CIL operations respectively, to work with its own metallurgical staff and Xstrata Technologies (the licensee of the patented Albion process) during September 2014, to review plant performance and collectively recommend to management, measures that might be taken in the future to further optimise recoveries.

The Company is sufficiently confident in the potential of the Albion/CIL process for the treatment of refractory ore, that it will now move toward a second project.

ABN: 48 008 031 034

Registered Office:
55 Kirkham Road
Bowral NSW 2576 Australia
PO Box 846
Bowral NSW 2576 Australia
T: 61 2 4861 1740
Email: admin@panterragold.com

Project Office

DOMINICAN REPUBLIC
Calle Mayaguano No. 2
Los Cacicazgos,
Santo Domingo,
Distrito Nacional
T: +1 809 482 0876

The difficulties encountered in treating the Las Lagunas tailings due to variability in sulphide levels, grades, particle size, ultrafine slimes, and carbonaceous material will not occur in the processing of a clean refractory concentrate derived from an appropriate mining operation.

Therefore, the Company's focus will be on acquiring a refractory resource that can be economically developed as a mine to produce concentrate which can be transported to the Las Lagunas process plant for gold/silver extraction.

A technical and economic review of a potential development target in North America with the potential to provide high grade refractory concentrate to Las Lagunas, should be completed within two months, and at this stage the evaluation looks promising.

End