



MARKET RELEASE

26 February 2010

PanAust Limited

TRADING HALT

The securities of PanAust Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Tuesday, 2 March 2010 or when the announcement is released to the market.

Security Code: PNA

A handwritten signature in black ink, appearing to read 'Pat O'L', is positioned below the security code.

Patrick O'Connor
Issuers Advisor

26 February 2010

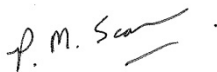
Rohan Abeyewardene
ASX Markets Supervision Pty Ltd
Riverside Centre
Level 5, 123 Eagle Street
Brisbane QLD 4000

Dear Rohan,

Request for trading halt under Listing Rule 17.1

PanAust Limited requests a trading halt prior to commencement of trading on 26 February 2010. In accordance with the requirements of Listing Rule 17.1, PanAust provides the following information:

1. PanAust is currently in discussions in relation to a proposed acquisition with a party located in a different time zone. Given the likely materiality of the proposed acquisition, PanAust considers it appropriate to apply for a trading halt so as to ensure that, upon recommencement of trading, the market can trade on a fully informed basis.
2. PanAust requests that the trading halt continue until the earlier of the making of an announcement in relation to the proposed acquisition and the opening of trading on 1 March 2010.
3. PanAust is not aware of any reason why the trading halt should not be granted.
4. PanAust is not aware of any other information necessary to inform the market about the trading halt.



Paul Scarr
Company Secretary and General Counsel
Tel (07) 3117 2015