

ASX Release

23 January 2012

PANTERRA GOLD ENTERS INTO DEFINITIVE AGREEMENT WITH NOVUS GOLD CORPORATION

PanTerra Gold Limited (**ASX: PGI**) (**PanTerra Gold** or the “**Company**”), advises that further to its announcement on 5 January 2012, it has entered into a definitive arrangement agreement (the “Arrangement Agreement”) with Vancouver based Novus Gold Corporation (TSXV: “NOV”) to acquire NOV by way of a plan of arrangement under the laws of British Columbia, Canada. Pursuant to the arrangement, PGI will issue one PGI share for three NOV shares. Following the completion of the transaction existing stock options and warrants of NOV that are exercisable into NOV shares will be exercisable into PGI shares after applying the three to one exchange ratio.

The Arrangement Agreement contains customary terms and conditions for transactions of this nature, including the continued suspension of the Company’s existing farm-in agreement on NOV’s two highly prospective concessions in the Dominican Republic (La Yagua copper prospect of 9900ha, and La Paciencia gold prospect of 8600ha).

PGI expects to issue approximately 18,412,645 PGI shares pursuant to this transaction. An additional 1,720,458 PGI shares may be issued upon the exercise of existing NOV warrants and options, although currently all NOV warrants and options are well out of the money and it is anticipated that all convertible securities of NOV will expire within three months of the completion of the transaction.

NOV is required to obtain NOV shareholder approval for this transaction and a meeting is anticipated to be held on or about 27 February 2012. PGI does not require shareholder approval for this transaction. The transaction is expected to complete in early March 2012.

Ends

Enquires: Mr Brian Johnson
Chairman & CEO
Email: brianjohnson@panterragold.com
T: +61 2 4861 1740

Mr James Tyers
Director of Operations
Email: jamestyers@panterragold.com
T: +61 2 4861 1740

PROJECT OFFICES:

AUSTRALIA
Level 5 Suite 6
3 Spring Street
Sydney NSW 2000
T: + 61 2 4861 1740

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

ECUADOR
Cda. Vernaza Norte, Avda. Joaquin Orrantia y
Leopoldo Benitez, Edif. Trade Building,
Torre A. Piso 4, ofc. 418, Guayaquil
T: + 593 4 263 9048