



Panaegis Gold Mines Limited

(ABN 42 111 587 163)

OPERATIONS REVIEW

October, 2007



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STRATEGY

- **Develop** World Class Gold and Antimony Production
- **Discover** and Develop Gold and Base Metal Projects
- **Diversify** Exploration and Development Focus



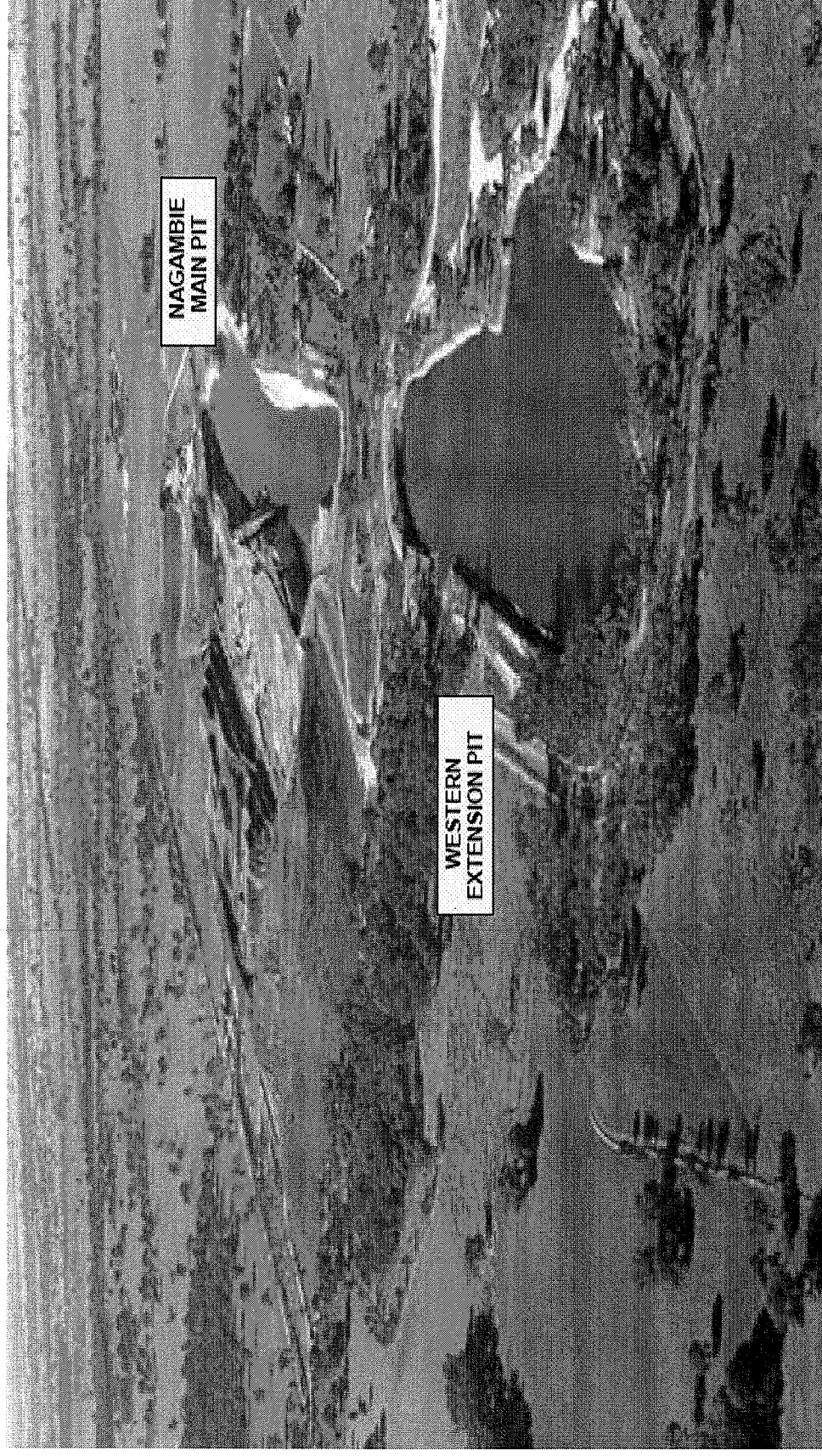
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RELATIONSHIPS

- **CORPORATE PEERS** (Farm-outs, Farm-ins, JV's, NSR's)
- **CORPORATE MAJORS** (Mature Exploration, Projects, JV's)
- **CORPORATE JUNIORS** (Prospective, Diversifying Opportunities)



Aerial view Nagambie Mine



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OPERATIONS

EXPLORATION: FOCUS and OBJECTIVES

- **Nagambie JV:**
 - **Oxide Resources Definition (2008)**
 - **Sulphide Resources Definition (2008)**
 - **Satellite Resources Definition (2009)**
 - **Major Project Development (2009), Production (2010)**
- **Non-JV**
 - **Gold and/or Base Metal Resource Delineation (2008)**
 - **Sterilisation and Relinquishment (2008)**
 - **Asset Diversification**

Nagambie JV review

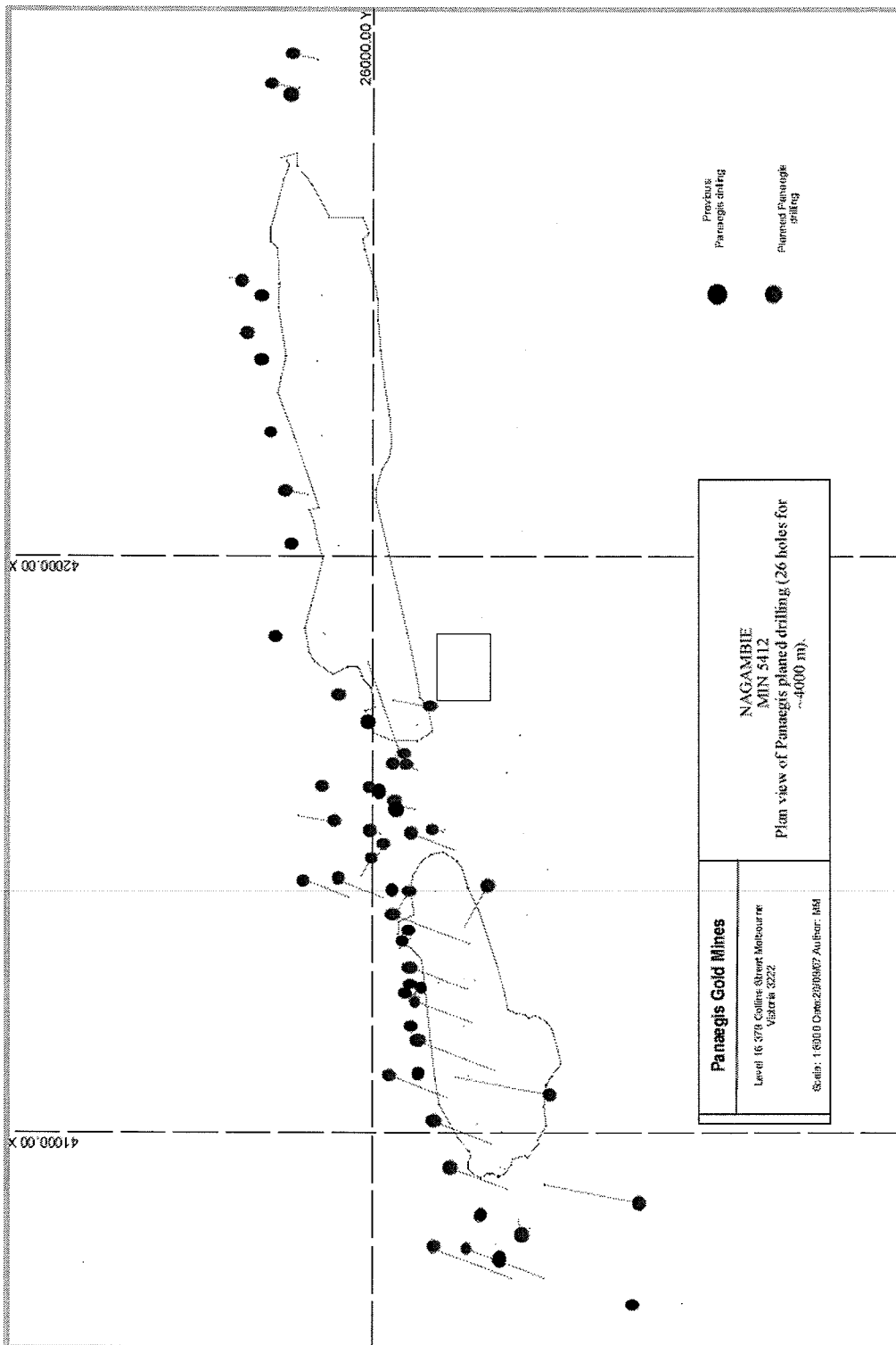
- **JV Equity Earn-in (March 07)**
- **MIN5412 structural interpretation (May 07).**
- **Regional structural interpretation (Jul-Aug 07).**
- **Heap Leach not a 'Stand-Alone' Project.**

Nagambie JV Future

- Soil sampling, targeting identified structural intersections.
- MIN5412 In-fill & Extension Drilling (~ 1,200 m) targeting Oxides, Sulphides and Resources & Reserves Estimation.
- New Structural Interpretation mineralisation controls Focus.
- Established EM Geophysics for quick ground assessment of undercover Basement anomaly targets beneath soil anomalies.
- Drilling of geophysical anomaly targets leading to Regional Resources Delineation (1,200 m)



Nagambie In-Fill & Extension Drilling

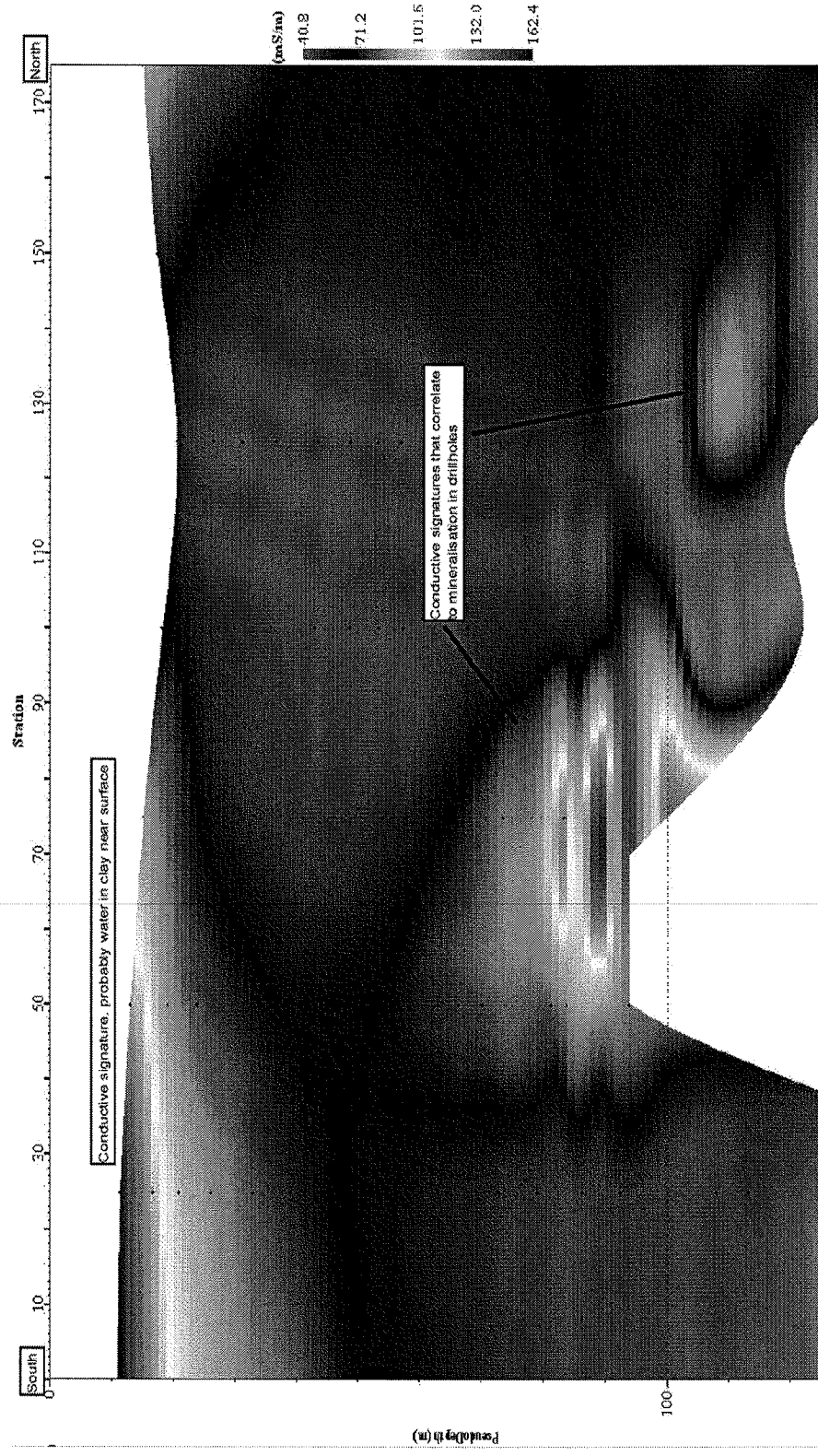


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Nagambie EM Conductivity Section

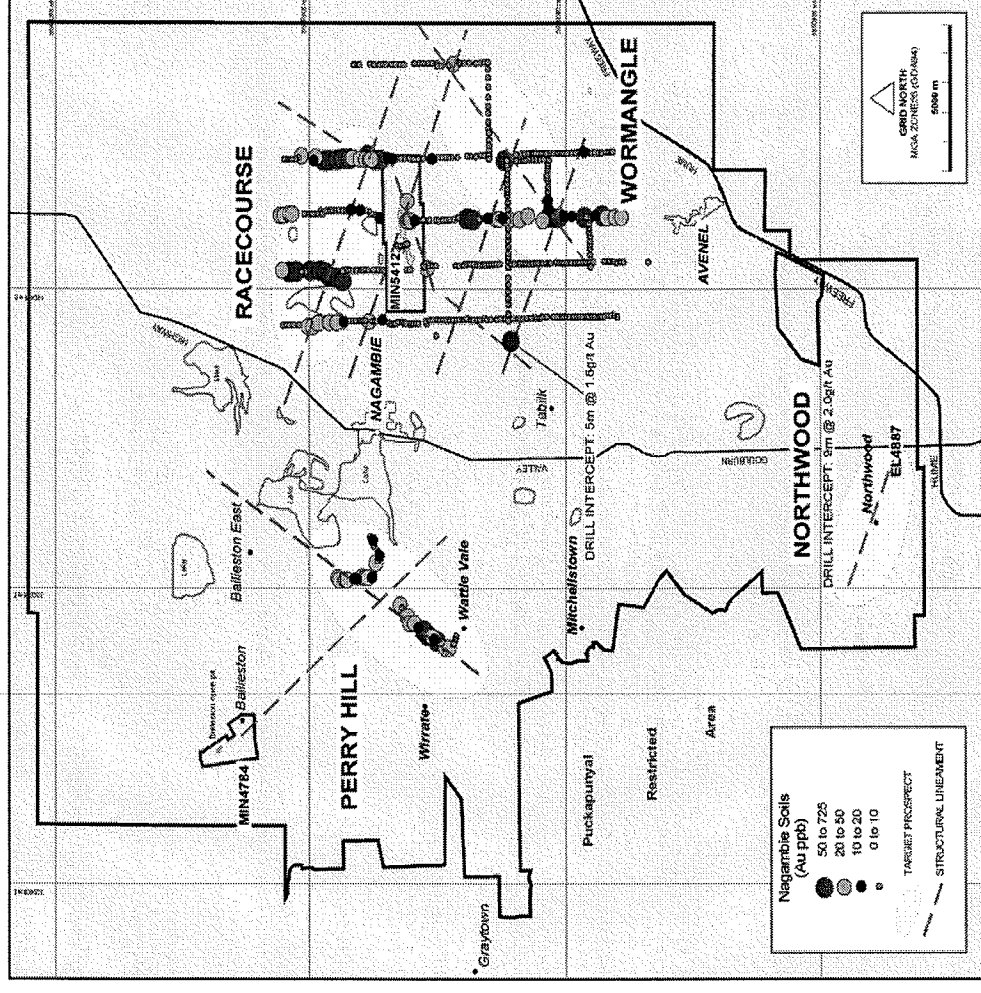


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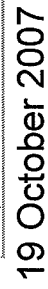
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Nagambie Regional Satellites

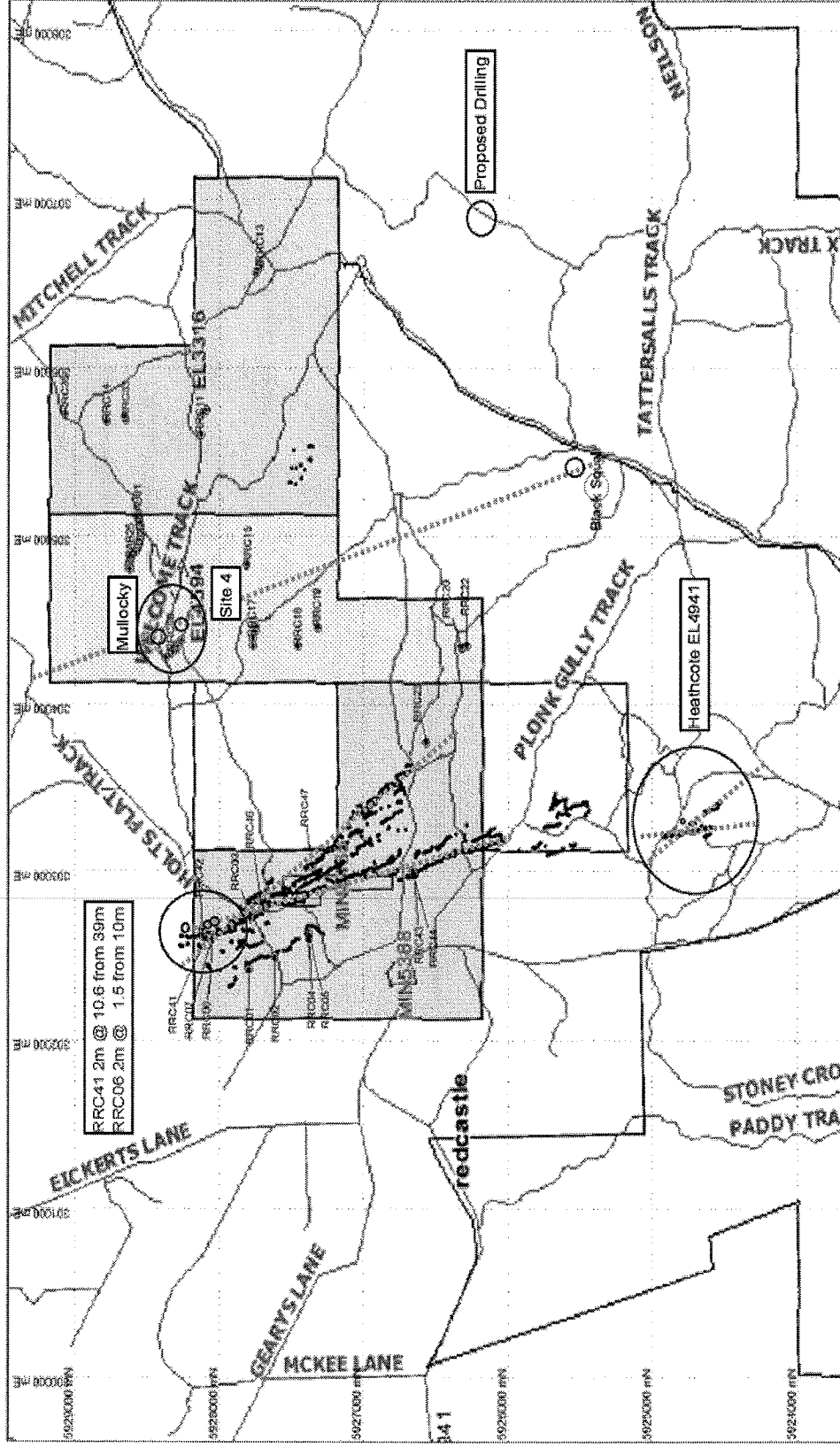


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Redcastle Structure & Proposed Drilling

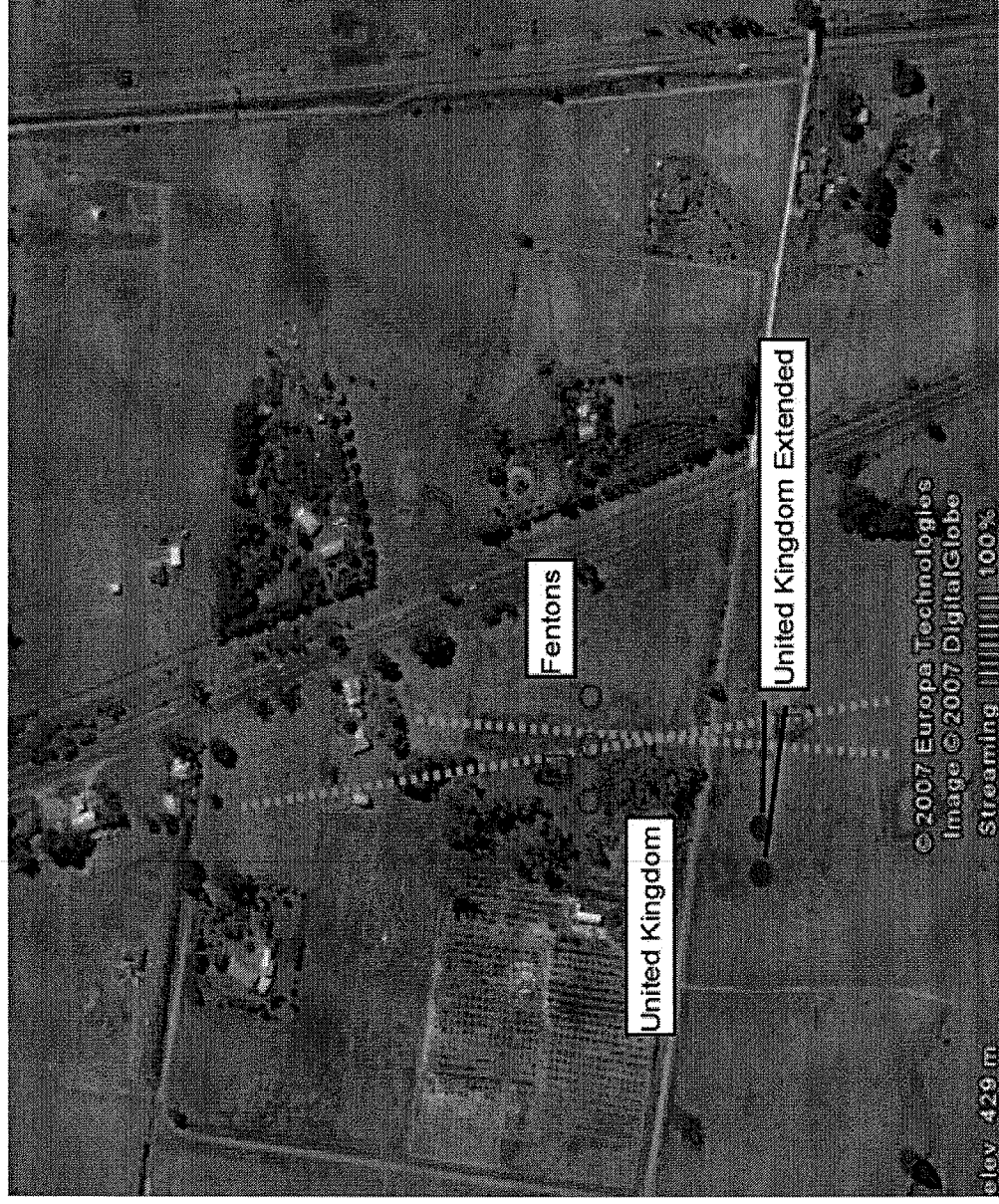


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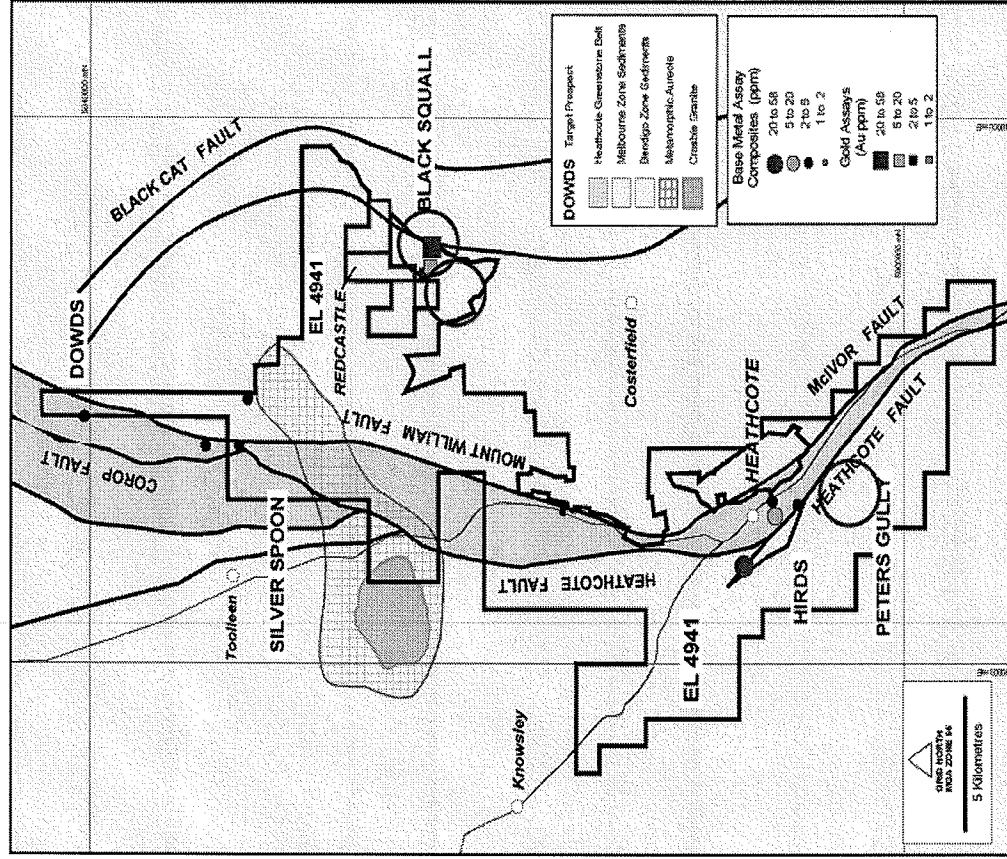
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PANAEGIS Heathcote Proposed Drilling



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SUMMATION

- **Panaegis is poised for an exciting period of Exploration**
- **Highly Prospective Nagambie JV Region primed with:**
 - Delineated sulphide mineralisation at Nagambie Mine,
 - Identified Regional Soil Anomaly Targets,
 - Mutually confirmatory regional geology and geophysical interpretations,
 - Established ground geophysics Drill Target locator.
- **Simultaneous Progression of other JV Region Targets**
- **On track to Nagambie JV resource definition and economic reserves.**
- **Progression of Non-JV Gold and Base Metal Exploration**