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## ASX / Media Release

2 November 2011

### **UPDATE ON EXPLORATION PROGRAM - DOMINICAN REPUBLIC AND ECUADOR**

PanTerra Gold Limited (ASX: PGI) (PanTerra Gold or the "Company") advises that its joint venture with Vancouver based Novus Gold Corp. ("Novus") to explore the La Yagua copper prospect, and the La Paciencia gold prospect in the Dominican Republic has been delayed pending finalisation of access agreements with local land owners.

As a consequence, it has been agreed that the next exploration funding contribution due from PanTerra Gold (US\$500,000) will be postponed for one month to 30 November 2011 while the partners review the status of access for the proposed drilling program, and develop a more realistic timetable and cash requirement than originally proposed by Novus.

Mr Brian Johnson, Executive Chairman of PanTerra Gold, said he was confident land access would be achieved where required but it is difficult to predict how long this might take because of the number of small communities that need to be consulted within the 18,000 ha concessions.

He also said that in relation to the San Gerardo concession in Ecuador, land access issues for exploration had been addressed during the community consultative process as part of the environmental permitting procedure.

This concession contains limited farming development and is sparsely populated, with no community relationship problems with PanTerra Gold identified, or objections raised to the Company's proposed mining developments.

Consultants have advised that the environmental approval which will permit construction of access roads and surface drilling will be received in December 2011. This will allow the 25,000 m drilling program scheduled for 2012 to commence the following month.

PanTerra Gold's first priority is to establish a resource of sufficient size and grade around the seven existing small scale underground mining operations within the Azuay project to justify the expansion of operations to 300,000 tpa of ore, with a targeted annual production of 100,000 oz gold.

The Company's second priority is to drill the Vittoria prospect within the San Gerardo concession where soil sampling of the 140 ha surface expression of a substantial anomaly indicated it to be highly prospective for copper/molybdenum/gold.

Delays to the Dominican exploration program will not impact on the Company's objective of producing over 250,000 oz gold per year from three projects (Las Lagunas, Azuay, Vittoria) within the next three years.

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