



# ASX Announcement

## PanTerra Gold Limited

### RIGHTS ISSUE TO FUND PFS FOR LA DEMAJAGUA GOLD PROJECT, CUBA

**ASX: PGI**

PanTerra Gold Limited (ASX: PGI) (“PanTerra Gold” or the “Company”), advises that a wholly owned subsidiary, has been selected by the Cuban Government’s mining company, GeoMinera S.A., as its proposed joint venture partner for the development of their La Demajagua refractory gold deposit on the Isle of Youth in Southwest Cuba.

PanTerra Gold’s involvement in the project is dependent on approval by the Cuban Government’s Committee for Foreign Investment of the proposed joint venture agreement. GeoMinera has indicated drafting of the joint venture agreement and the approval process could take up to six months.

The first stage of the proposed project is planned as an open pit mining operation for seven years, followed by a second stage underground operation for around 10 years. The deposit has been extensively drilled but will require further exploration for both the open pit and underground targets to define JORC compliant resources. Both stages will require successful Definitive Feasibility Studies to be undertaken prior to development.

UK based mining consultants, Wardell Armstrong International Limited, who are familiar with the La Demajagua project, have been engaged by the Company to provide a Conceptual Mineralisation Statement for the property .

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If this new project proceeds, major components of PanTerra Gold Group’s existing processing plant in the Dominican Republic may be relocated to La Demajagua after it becomes redundant in Q3 2019.

Mr Brian Johnson, Executive Chairman of PanTerra Gold said that the selection as a 49% Venture (“JV”) partner for the La Demajagua project is hoped to lead to a profitable business opportunity for the Group despite the commercial and logistical implications of the current US sanctions against Cuba, and GeoMinera’s limited capacity to contribute equity to the Joint Venture.

PanTerra Gold has completed a detailed Preliminary Economic Assessment (“PEA”) for Stage 1 of the project which has indicated its technical and commercial viability. An independent consulting group will be engaged to review the PEA as soon as practicable.

To meet the majority of the costs of a Preliminary Feasibility Study (“PFS”) for the first stage of the project, the Company will undertake a partially underwritten, non-renounceable 2 for 3 rights offer of its shares to Eligible Shareholders, and issue up to 86,574,897 New Shares at \$0.025 per share to raise up to \$2,164,372 before costs.

A Prospectus for the Offer will be lodged with ASIC and the ASX on 15 October 2018 and dispatched to Eligible Shareholders on 23 October 2018. The record date for determining entitlements will be 18 October 2018.

**End**