



PANAEGIS

PANAEGIS GOLD MINES LIMITED ABN 42 111 587 163 ACN 111 587 163
174b High Street Heathcote Victoria Australia 3523
Tel: 03 5433 3422 Fax: 03 5433 3466 www.panaegis.com.au

ASX Code: PAU

Head Office

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Heathcote VIC 3523
Ph: 03 5433 3422
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Contact:

Website:
www.panaegis.com.au

Email:
info@panaegis.com.au

Shares on Issue

Quoted: 94,993,400

Directors

Michael W Trumbull
(Non-Executive Chairman)

Colin Glazebrook
(Executive Director)

Geoff Turner
(Non-Executive Director)

Company Secretary

Alfonso M G Grillo

**Chief Executive Officer
and Exploration Manager**

Colin Glazebrook

Share Registry:

Computershare Investor
Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford Vic 3067
Toll Free: 1300 850 505

2 July 2008

ASX Limited
Company Announcements Office
20 Bridge Street
Sydney NSW 2000

RELEASE OF SECURITIES FROM VOLUNTARY ESCROW AND LAPSE OF OPTIONS

Please see **attached** Appendix 3B in relation to:

- (a) the release of 2,500,000 ordinary shares in the Company from voluntary escrow on 18 April 2008; and
- (b) the lapsing of 6,137,000 options expiring 30 June 2008 exercisable at \$0.20.

Following quotation of the above ordinary shares on the ASX, the total number of ordinary shares listed will be 94,993,400.

Yours faithfully

Alfonso Grillo
Company Secretary

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

PANAEGIS GOLD MINES LIMITED

ABN

42 111 587 163

We (the entity) give ASX the following information.

Part 1 – All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1. ⁺Class of ⁺securities issued or to be issued

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2. Number of ⁺securities issued or to be issued (if known) or maximum number which may be issued

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3. Principal terms of the ⁺securities (eg, if options, exercise price and expiry date; if partly paid ⁺securities, the amount outstanding and due dates for payment; if ⁺convertible securities, the conversion price and dates for conversion)

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⁺ See chapter 19 for defined terms.

4. Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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5. Issue price or consideration

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6. Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

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7. Dates of entering ⁺securities into uncertificated holdings or despatch of certificates

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8. Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 2 if applicable)

Number	+Class
94,993,400	Ordinary shares fully paid

⁺ See chapter 19 for defined terms.

9.	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	⁺ Class
10.	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

Part 2 – Bonus issue or pro rata issue

11.	Is security holder approval required?	
12.	Is the issue renounceable or non-renounceable?	
13.	Ratio in which the ⁺ securities will be offered	
14.	⁺ Class of ⁺ securities to which the offer relates	
15.	⁺ Record date to determine entitlements	
16.	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17.	Policy for deciding entitlements in relation to fractions	
18.	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19.	Closing date for receipt of acceptances or renunciations	

⁺ See chapter 19 for defined terms.

20.	Names of any underwriters	
21.	Amount of any underwriting fee or commission	
22.	Names of any brokers to the issue	
23.	Fee or commission payable to the broker to the issue	
24.	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25.	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26.	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27.	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28.	Date rights trading will begin (if applicable)	
29.	Date rights trading will end (if applicable)	
30.	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31.	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32.	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	

⁺ See chapter 19 for defined terms.

33. ⁺Despatch date

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Part 3 – Quotation of securities

You need only complete this section if you are applying for quotation of securities

34. Type of securities
(tick one)

- (a) Securities described in Part 1
- (b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35. If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
36. If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 – 5,000
5,001 – 10,000
10,001 – 100,000
100,001 and over
37. A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38. Number of securities for which ⁺ quotation is sought	2,500,000 ordinary shares.				
39. Class of ⁺ securities for which quotation is sought	Ordinary shares.				
<p>40. Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes.				
<p>41. Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	End of voluntary escrow period on 18 April 2008.				
42. Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="718 1388 1066 1422">Number</th> <th data-bbox="1066 1388 1417 1422">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="718 1422 1066 1456">94,993,400</td> <td data-bbox="1066 1422 1417 1456">Ordinary shares fully paid</td> </tr> </tbody> </table>	Number	+Class	94,993,400	Ordinary shares fully paid
Number	+Class				
94,993,400	Ordinary shares fully paid				

⁺ See chapter 19 for defined terms.

Quotation agreement

1. ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
2. We warrant the following to ASX.
 - The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should be not be granted ⁺quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the ⁺securities to be quoted, it has been provided at the time that we request that the ⁺securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
3. We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
4. We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 2 July 2008
(Company secretary)

Print name: Alfonso Grillo

⁺ See chapter 19 for defined terms.