



PANAEGIS

PANAEGIS GOLD MINES LIMITED ABN 42 111 587 163 ACN 111 587 163
Level 1, 33 Bank Street South Melbourne VIC 3205 Tel: 03 9696 9791 Fax: 03 9696 9911

ASX CODE: PAU

About Panaegis

Panaegis listed on ASX on 23 June 2006 and is focussed on the evaluation and development of finely disseminated, sediment hosted gold deposits in Victoria.

Contact:

Website:
www.panaegis.com.au

Email:
info@panaegis.com.au

Directors

John W Cornelius
(Non-Executive Chairman)

Ian D Buckingham
(Managing Director &
Chief Executive Officer)

Andrew R Ristrom
(Non-Executive Director)

Peter I Rudd
(Non-Executive Director)

Michael W Trumbull
(Director - Mining)

Alfonso M G Grillo
(Company Secretary)

Share Registry:

Computershare Investor
Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford Vic 3067

Toll Free: 1300 850 505

ASX/MEDIA RELEASE

22 May 2007

PANAEGIS MAKES 15% SHARE PLACEMENT TO BEACONSFIELD GOLD

Panaegis Gold Mines (ASX Code: PAU) has made a strategic placement of 10.5 million fully paid ordinary shares in the company to Beaconsfield Gold NL at 9.0 cents per share raising \$945,000.

Equal to 15% of Panaegis' issued shares before the placement, the new shares will rank equally with existing Panaegis shares.

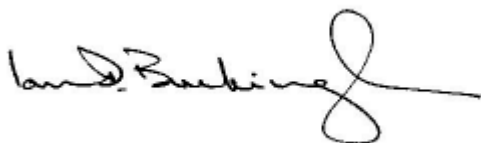
Panaegis is focussed on exploring for and development of sediment hosted, oxide and sulphide associated, finely disseminated gold deposits. These deposits are typically large tonnage, lower grade and amenable to resource drilling, JORC measurement and low cost per tonne mining.

Since listing on the ASX on 23 June 2006 Panaegis has increased its exploration holdings in central Victoria from around 1,200 to over 2,000 sq km.

Panaegis' first development project is expected to be the fast track redevelopment of a heap leach gold production operation at its Nagambie property.

As outlined in the Panaegis Shareholder Update of 8 May 2007 further work is planned at the Nagambie property to fast track the re-processing of the heap leach pad to bring forward potential cash flows and accelerate the growth of the company.

The Chairman of Panaegis Gold Mines, John Cornelius, said *“This funding injection will focus on early evaluation and development of Panaegis’ properties, particularly Nagambie where Panaegis has a 51% interest and is Manager. Apart from fast track assessment and development of the Nagambie heap leach pad. Panaegis has also identified a further potential resource of oxide gold ore close to surface, between the existing pits and an extension of the Western Pit, which could be added to the heap leach pad.”*

A handwritten signature in black ink, appearing to read 'Ian D Buckingham'. The signature is fluid and cursive, with a large loop at the end.

IAN D BUCKINGHAM
Managing Director/CEO

For further information contact

Ian Buckingham on 03 9696 9791 or 0417 335 462.

Ian Howarth, Farrington National on 03 9223 2465 or 0407 822 319