



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

Shares on Issue

Quoted: 51,577,500
Restricted: 18,485,000
Issued: 70,062,500

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

27 March 2007

NAGAMBIE GOLD MINE

- “Earn in” milestones achieved.
- Further encouraging drill results have defined mineralisation over a length exceeding 1.7 km.
- Drilling at Nagambie Mine is continuing at hole NRP 26.
- Additional regional soil sampling and RC drilling approved.

The Directors of Panaegis Gold Mines Limited (“Panaegis”) are pleased to announce:

- Nagambie Gold Mine – Joint Venture (Panaegis 51%)

Panaegis has advised joint venturer, Perseverance Mining Pty Ltd, of completion of its earning contribution of \$900,000, including 3,000 metres of pre collared diamond drilling to now hold 51% and be Operator.

Drilling of hole NRP 26 (see attached map) is aimed at extending the Nagambie mineralisation structure both along strike and at depth.

Results to hand from NRP 22 indicate further encouraging mineralisation.

RC and diamond drilling continues to define significant mineralised structural extensions of disseminated gold of potentially large tonnages over a distance of at least 1.7 km that is open both along strike and at depth. The primary target remains mineralisation at depths of 100 metres to 150 metres that could be potentially be mined by open-cut methods.

Since the December 2006 Quarter, holes NRP 22 to NRP 25 have been drilled with the final hole in this campaign (NRP 26) commenced. Gold assay results received for hole NRP 22 continue to confirm mineralisation and grade of the Nagambie Structure both along strike and at depth (Table 1).

Table 1: Nagambie Drill Program NRP - Selected Assay Results

Hole ID	From (m)	To (m)	Length (m)	Gold (g/t)	Antimony (ppm)
NRP 22	110.0	117.0	7.0	1.3	DTF
Including NRP 22	112.4	114.5	2.0	2.5	DRF
NRP 22	135.0	149.0	14.0	1.4	DTF
Including NRP 22	135.0	137.0	2.0	3.3	DTF
NRP 22	142.0	146.0	4.0	1.9	DTF

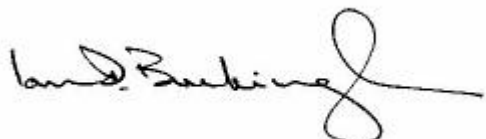
DTF = Data to Follow

Drill hole NRP 26 currently at 112 metres is targeting mineralisation in the northern limb of the Nagambie anticline.

As previously reported, the Joint Venture has established anomalous gold-arsenic-antimony values extending over 11 km on strike with Nagambie Mine. A sub-parallel repetition has also been identified some 5 km to the south (refer December 2006 Quarterly Report Figure 2).

Recent field work has mapped anomalous geochemical soil samples consistent with regional topographical highs. Follow-up geochemical and rock chip sampling will be carried out on the Nagambie and Nagambie South mineralised zones, together with RC drilling south of the mine site.

Of interest, the original Nagambie Mine, which produced over 134,000 ounces from oxide material, was discovered using similar exploration methods.



IAN D BUCKINGHAM
Managing Director/CEO

For further information contact Ian Buckingham on 03 9696 9791 or 0417 335 462.

Within this statement references to resources and exploration results have been approved for release by Dr John W Cottle, PhD FAusIMM, CP(Geology), who is a Competent Person as defined by the JORC Code (2004). He has consented to the inclusion of the material in the form and context in which it appears.



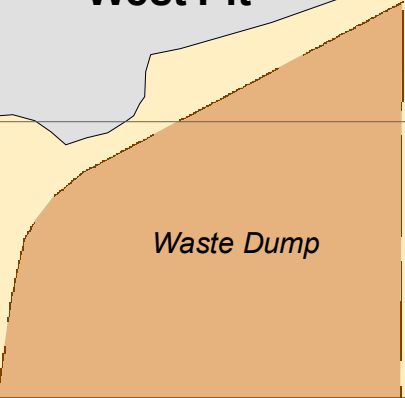
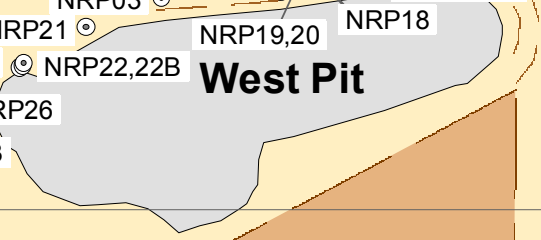
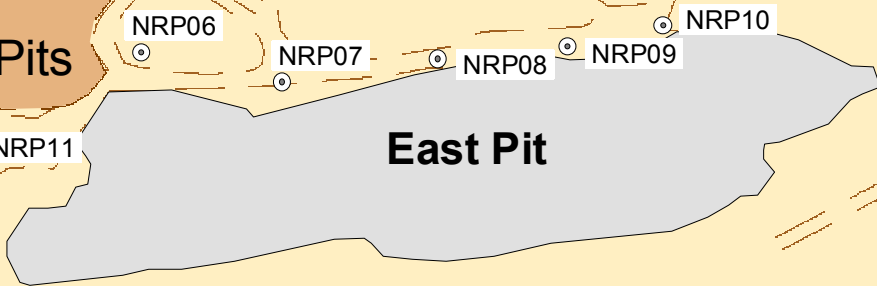
MIN5412

○ NRP12 Panaegis Drillhole Location



3410000mE

Nagambie Mine Open Pits



- NRP01
- NRP02,14
- NRP03
- NRP04
- NRP05
- NRP06
- NRP07
- NRP08
- NRP09
- NRP10
- NRP11
- NRP12
- NRP13
- NRP15,16
- NRP17
- NRP18
- NRP19,20
- NRP21
- NRP22,22B
- NRP23
- NRP25
- NRP26

5926000mN

○ NRP024

Grid Co ords
MGA Zone 55 (GDA94)

