

27 October 2020

ASX Announcement

PANTERRA GOLD LIMITED

QUARTERLY ACTIVITIES REPORT TO 30 SEPTEMBER 2020

HIGHLIGHTS

LAS LAGUNAS GOLD/SILVER PROJECT, DOMINICAN REPUBLIC

- Nil Production – Project completed 31 December 2019
- Process Plant Dismantling and Site Remediation – commenced January 2020. Cost for the Quarter – US$0.537 million. Work was suspended in March 2020 due to the impact of the Covid-19 pandemic and recommenced in the first week of June 2020. Dismantling and site remediation will be completed in the current Quarter.
- Surplus plant and equipment items have been stored on site and are expected to be sold over the next six months at an estimated value of approximately US$3.5 million.
- Application for Arbitration – the application for Arbitration of claims totalling approximately US$20 million against the Dominican Government were submitted to the World Bank's International Centre for Settlement of Investment Disputes ("ICSID") in March 2020. Based on legal advice, the Company has decided not to pursue the additional claim for loss of profits as notified to the ASX on 7 August 2020.
- Formation of the three-person Arbitration Tribunal occurred during the Quarter and the Group's Statement of Claim is to be submitted to ICSID on or before 15 January 2021.
- The Company has received overtures from the recently elected Government to discuss a possible settlement agreement in relation to the Group's various claims but formal negotiations have not yet commenced.
- The Government has also communicated their interest in PanTerra Gold establishing a regional processing hub at Las Lagunas based on a 100,000tpa Albion/CIL plant treating domestic or imported refractory concentrate. This concept will only be advanced if the various disputes and claims can be resolved.

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LA DEMAJAGUA GOLD/SILVER PROJECT, CUBA

PanTerra Gold was selected by the Cuban Government's mining company, GeoMinera S.A. ("GMSA") in October 2018, as its proposed 49% joint venture partner for the development of their La Demajagua refractory gold deposit on the Isle of Youth in Southwest Cuba.

Agreement on the terms of the Joint Venture Agreement was reached in December 2019. The Joint Venture Agreement and the formation of the Joint Venture company, Minera La Victoria SA ("MLV"), was subsequently approved by the Council of Ministers, and registered during the Quarter.

Senior Cuban administration and technical staff have also been engaged by MLV during the Quarter. PanTerra Gold's nominated General Manager for the pre-development phase of the proposed project will relocate from the Dominican Republic to Cuba before the end of 2020 to oversee the conduct of a Pre-Feasibility Study ("PFS") which includes a 25,000m drilling program, and the following Definitive Feasibility Study ("DFS") for the proposed Stage One open pit mine development .

CASH POSITION

Available Group funds as at 30 September 2020 were US$5.3 million (A$7.6 million).

Proceeds from the sale of surplus equipment from the Las Lagunas project have been delayed due to the Covid-19 pandemic but should be received over the next six months.

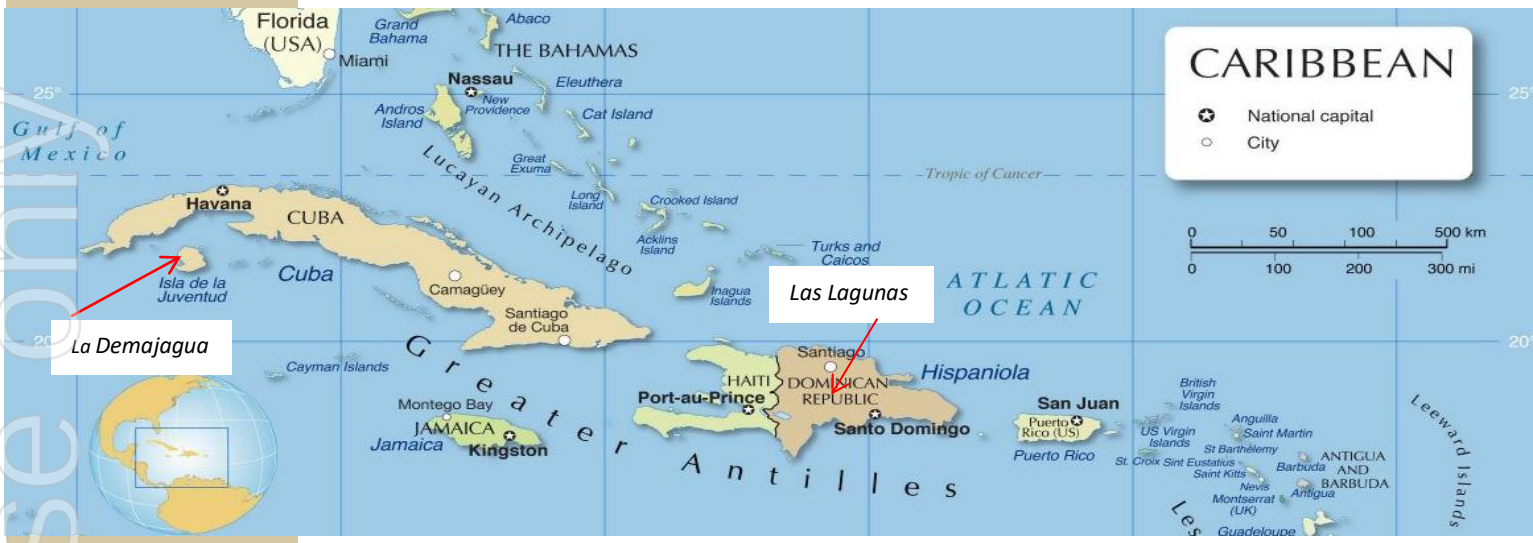
FUTURE STRATEGY

The PanTerra Gold Group will focus on the near term development of the advanced gold/silver project at La Demajagua in Cuba to produce refractory concentrate that could be sold to an international metals trader, or smelters in either China or Russia that have expressed interest in offtake.

The Group will also consider developing a processing hub in Cuba or the Dominican Republic to process refractory concentrate from La Demajagua and from regional mines.

In this event, the Company will utilise experience and IP for treating refractory concentrates gained from its twelve-year involvement in the development and operation of the world's first application of Albion technology for recovering precious metals.

The Company intends to seek additional exploration and mining opportunities for precious metals in Cuba where the geology is predominantly refractory, and possibly for base metals.



The focus on future activities in Cuba and possibly the Dominican Republic, which are both in the Greater Antilles Islands of the Caribbean, has led to a renaming of the listed holding company to Antilles Gold Limited, which was approved by Shareholders on 23 October 2020.

This announcement has been authorised for release by the Chairman of PanTerra Gold Limited

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