

Oct 13, 2010

Company Raises \$5 million for Ghana gold property exploration & Determines Share Consolidation

We have just announced the closure of our private placement consisting 27,777,778 common shares at a price of \$0.18 per share to raise gross proceeds of \$5,000,000. All of the shares are subject to a hold period and may not be traded in Canada until February 13, 2011, except as otherwise permitted by applicable Canadian securities laws and the TSX Venture Exchange. Hartleys Limited of Perth, Western Australia received a fee of \$198,059.28 and 4,000,000 non-transferable warrants, each exercisable for one share at a price of \$0.25 per share for a two year period.

Macquarie Bank Limited of Sydney, Australia, acquired 18,877,910 common shares of the Company in this placement. The shares were purchased for investment purposes. After giving effect to this acquisition, Macquarie Bank Limited will beneficially own 52,211,243 common shares and 3,900,000 warrants, representing 19.5% of the issued and outstanding common shares of the company on a partially diluted basis.

Further to the planned IPO and co-listing of PMI Gold in Australia, the Company has determined that a 2:1 share consolidation will satisfy the listing requirements with respect to the exercise price and number of currently outstanding PMI Gold warrants and options. Based on this determination, and the written irrevocable consents of more than 51% of the currently issued shares approving the proposed consolidation, the Company will proceed to seek regulatory approval. On completion of the consolidation, the shares will continue to trade under the same name and symbol, but with a new CUSIP number. Further information will be provided as and when available.

We've Increased our Gold Resource in Ghana by 123%

Earlier this month, we announced a plus 1 million maiden gold resource on our Obotan gold project (156,000oz @ 1.59g/t Au Indicated; 1,053,000oz @ 2.1 g/t Au Inferred) which adds to near 1 million ounces of resources at our Kubi gold project (604,000oz @ 3.66 g/t Indicated; 315,000oz @ 1.88 g/t Au Inferred) — both located in Ghana, West Africa. Over the next few months we plan on completing additional capital raising and the co-listing of our shares on the ASX in Australia. Once completed, this will increase our liquidity with listings on three continents: Canada, Europe and Australia and expose us to additional large investor bases in Australia and Asia. Once funding is in place, we plan on aggressively drilling off additional resources at Obotan and increasing their quality. Recent drilling at Obotan intersected up to 153 m @ 2.37 g/t Au -- part of a plunging mineralization system which is open to depth and will be the target for additional drilling. This program will allow for the preparation of pre-feasibility and preliminary economic assessments, and, if warranted, an early production decision. A central processing plant fed by satellite pits and a bulk mineable underground mine is envisaged. Environmental and metallurgical testwork at Kubi, and an application to upgrade the Obotan licenses to a Mining Lease, are already underway.

International Trade Shows and Conference Attendance Continues

Management continues to attend precious metal and industry trade shows in order to expose the Company to as wide an investment base as possible.

Objective Capital's Global Mining Investment Conference

Presentation by Dr. John A. Clarke, Executive Director
September 28-29, 2010
London

This convention covers the outlook for key commodities and is also dedicated to updating delegates on issues in the sector and established and emerging mining hotspots.

To see John's speech: <http://www.viddler.com/explore/objectivecapita/videos/74/?secreturl>

Global Chinese Financial Forum

October 15-16, 2010

Toronto

Len Dennis, Independent Director and Larry Myles, Shareholder Communications, will be representing the Company. The Toronto Conference 2010 will connect the major financial and industrial players of North America and Greater China to create opportunities for the financing of projects, strategic industrial partnerships, and regional and national economic development. Information on the tradeshow is available at:

<http://gcff.chineseworldnet.com>

In addition, Douglas MacQuarrie, President & CEO, will attend the following in Europe:

Edelmetallmesse

International Precious Metals & Commodities Show

Munich

November 5-6, 2010

www.edelmetallmesse.com

Academy & Finance

Global Resources Investing – we are a sponsor

November 16-17, 2010

Zurich

www.academyfinance.ch

Academy & Finance

Global Resources Investing – we are a sponsor

November 18-19, 2010

Geneva

www.academyfinance.ch

Media Coverage Continues to Expand

PMI Gold Corporation has just been featured in the October issue of Mining Review Africa. This editorial is attached for your review.

Finally, we'd love to hear from you. Please feel free to contact any of us for more information:

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