



PANTERRA
RESOURCE CORP.

TSX-V: PRC

July 28, 2010

TSX-V: PRC

PanTerra Closes Second Tranche of Private Placement

PanTerra Resource Corp. ("**PanTerra**" or the "**Company**") is pleased to announce that has closed the second tranche of its previously announced financing of up to 5,000,000 units (the "**Units**") at a price of \$0.20 per Unit and up to 4,000,000 common shares to be issued on a "flow-through" basis at a price of \$0.25 per share (the "**Flow-Through Shares**") for total gross proceeds of \$2,000,000.00 (the "**Offering**").

Each Unit consists of one (1) common share (a "**Common Share**") in the capital of the Corporation and one half of one (1/2) common share purchase warrant (a "**Warrant**"). Each whole Warrant will entitle the holder to purchase one Common Share of the Corporation at an exercise price of \$0.40 for a period of twenty-four (24) months from the closing of the Offering. Upon the expiration of the mandatory hold period, in the event the common shares of the Corporation close for 30 consecutive days at a price of CDN \$0.65 or above per common share, the Corporation shall have the right to require conversion of the Warrants at the exercise price therefor.

The second tranche consisted of 3,930,000 Units and 3,200,000 Flow Through Shares for gross proceeds of \$1,586,000. The proceeds from the second closing will be used by PanTerra to fund its ongoing operations in central Alberta

In connection with the second closing of the Offering, MGI Securities Inc. was paid a cash commission of \$42,814, and received 465,390 Units in lieu of cash commission and 578,400 agent's compensation options. Each agent's compensation option consists of an option to acquire one Unit at a price of \$0.20 per Unit. All securities issued under the second closing of the Offering are subject to a statutory hold period until November 29, 2010.

The Company is also pleased to announce that Mr. Del Mondor, Director of Aldon Oils Ltd. of Weyburn, Saskatchewan will act as a technical and business advisor to the Company on an as needed basis.

PanTerra is a diversified junior public oil and gas company listed on the TSXV (PRC.V) with holdings in both conventional and unconventional projects in Western Canada. The Company has an operated production base of 75 BOPD and 240 Mcf/d gas with excellent optimization and exploitation potential. Additionally PanTerra holds 'rights' in excess of 1,000,000 acres in various properties in Western Canada. PanTerra trades on the TSX Venture Exchange under the symbol "PRC". Company information can be found at: www.panterraresource.com.



PANTERRA
RESOURCE CORP.

TSX-V: PRC

For further information contact:

Fred P. Rumak P.Geol.

or Herve B. Collet

President and C.E.O. at 403-261-5900

Email: fred@panterraresource.com

V.P. Operations / C.O.O. at 403-261-5900

Email: herve@panterraresource.com

This news release shall not constitute an offer to sell or the solicitation of any offer to buy the securities in any jurisdiction. The common shares may be offered or sold in other eligible foreign jurisdictions and to U.S. buyers on a private placement basis pursuant to an applicable exemption from registration requirements in Rule 144-A or Regulation D of the United States Securities Act of 1933, as amended.

This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Corporation cannot assure that actual results will be consistent with these forward looking statements. They are made as of the date hereof and are subject to change and the Corporation assumes no obligation to revise or update them to reflect new circumstances, except as required by law. Prospective investors should not place undue reliance on forward looking statements. These factors include the inherent risks involved in the exploration for and development of crude oil and natural gas properties, the uncertainties involved in interpreting drilling results and other geological and geophysical data, fluctuating energy prices, the possibility of cost overruns or unanticipated costs or delays and other uncertainties associated with the oil and gas industry. Due to the nature of the oil and natural gas industry, budgets are regularly reviewed in light of the success of the expenditures and other opportunities which may become available to the Corporation.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.