

Monday, September 17, 2007
PMI Gold to Purchase Nevsun's Kubi Gold Project, Ghana

News Release # 07-18

September 17, 2007, Vancouver BC - PMI Gold Corporation (TSX/V:PMV)

- Douglas MacQuarrie, President, announces that PMI Gold Corporation ("PMI Gold") and Nevsun Africa (Barbados) Ltd. ("Nevsun"), a wholly owned subsidiary of Nevsun Resources Ltd. of Canada, have reached agreement whereby PMI Gold will purchase Nevsun's Kubi Gold Project, located 20 kilometres south of the AngloGold Ashanti Obuasi mine and 46 kilometres southeast of our Obotan project.

PMI Gold will purchase all of the shares of Nevsun Resources (Ghana) Ltd. ("NS Ghana"), a Barbados registered company, which holds the Kubi Gold Project interests, for 9 million shares in the capital stock of PMI Gold, and an additional US\$3million in cash or in PMI Gold shares, or a combination of both cash and shares at the option of PMI Gold, within six months of the date of closing. Closing is subject to the receipt of formal documentation, all necessary regulatory and governmental approvals, including the re-assignment of the Kubi Mining Lease by the Government of Ghana which is currently being transferred from Ashanti Goldfields Company Limited ("Ashanti", a subsidiary of AngloGold Ashanti) to NS Ghana. In addition, Nevsun retains the right to a seat on the Board of Directors of PMI Gold.

The Kubi deposit was first developed by local artisanal miners, with eight adits being driven in the 1920's. In 1988 BHP (now BHP Billiton), during a major reconnaissance soil survey along the western margin of the Ashanti gold belt, outlined strong gold anomalies near the old workings and completed a program of ground geophysics and drilling.

NS Ghana optioned the property from BHP in 1993. Subsequently, they completed extensive exploration at Kubi in the mid through late 1990's, and defined gold mineralization in a near vertical 1.0 to 15.0 metre thick gold, garnet, and sulfide rich horizon. Drilling has defined the mineralized zone over an 1,800 metre long by up to 700 metre deep block contained within a northeast trending shear zone at the contact between Birimian and Tarkwainian metasediments.

In 1999, NS Ghana transferred the property to Ashanti, who in return for cash and royalty payments to NS Ghana, mined from two small pits 58,696 ounces of gold in 500,230 tonnes of oxide ore grading 3.65 g/t gold, with the recovered grade 28% higher than Ashanti's modelled grade.

Golder Associates Africa (Pty) Ltd., on behalf of PMI Gold, carried out data verification on drill logs and assay values and completed a site visit in early June, 2007 and have prepared a current NI 43-101 compliant mineral

resource report. Their mineral resource estimate using multiple indicator kriging is based on data from 212 diamond drill holes in the NS Ghana database less the resource already mined by AngloGold Ashanti:

CATEGORY	MILLION TONNES	GRADE (G/T)	OUNCES OF GOLD
INDICATED	5.13	3.66	604,085
INFERRED	5.38	1.88	315,079

Within the zone estimated above, a core of higher grade material can be determined and this will be the initial target for ongoing studies.

In 2006 Ashanti commenced the mine reclamation and gave notice that they were returning the property interests to NS Ghana. The Ghana Government holds a 10% free carried interest and has the right to purchase an additional 20% on terms to be agreed on between the parties. There is also a 3% net profits royalty, payable to International Royalty Corporation (an assignment from BHP), after all costs have been recovered. Project exploration and developments net costs to date of over US\$19 million are available to offset future Ghanaian tax and royalty considerations.

A portion of the Kubi mining lease is covered by forest reserve, however PMI Gold anticipates developing an underground operation by shaft or decline from the non-forest reserve area and trucking the material off site for processing, and therefore will not be overly impacted by forest reserve issues. The main Kubi mining lease covers 19.2 sq km and has a renewable 10 year term valid to 29 April 2009.

Douglas R. MacQuarrie, President and CEO commented: "The Kubi NI43-101 compliant Mineral Resource ounces in combination with the large underground exploration target at our past producing Obotan project, the long term upward trending gold market, and Ghana as a destination of choice for mining investment, should over the next few years provide the backdrop for a new gold producer in Ghana. Previous metallurgical tests indicate that the gold mineralization at both Kubi and Obotan are non-refractory, free-milling, and have very high recoveries using conventional circuits. PMI Gold believes that a near term production decision will be possible. Significant further capital will be required to complete the above program, to be raised through a combination of equity and project financing, and which will be dependant on further positive engineering reports. A full pre-feasibility study on bringing Kubi into production will be commissioned as soon as possible. PMI Gold looks forward to moving these projects ahead - a win win for Ghana and the Nevsun and PMI Gold shareholders. We look forward to having Nevsun as our single largest shareholder."

Ghana is Africa's second largest gold producer and has recently attracted US\$1.5 billion in committed foreign investment due to its long mining history, prospective resource base, reasonable taxation and stable government. PMI Gold now controls a 70 kilometre length of the Asankrangwa Gold Belt in 12 concessions/options totalling 484 sq km and on the Ashanti Gold Belt a mining lease and 2 concessions/options totalling 214 sq km.

This news release has been prepared by Douglas R. MacQuarrie, P.Geo.(B.C.), a Qualified Person under National Instrument 43-101, and is based on the recent independent report by David Farrow of Golder Associates Africa (Pty) Ltd. which will be filed on Sedar at <http://www.sedar.com>; a review of the significant Kubi historical data including visits to all the concessions referred to herein; an examination of drill core; and discussions with current and former directors, employees and contractors of Nevsun.

On behalf of the Board,

"Douglas R. MacQuarrie"

Douglas R. MacQuarrie
President & CEO

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