



*Vision, Commitment, Results*

18 September 2008

ASX: PAN

NEWS RELEASE

**LANFRANCHI RESERVES UPGRADED TO 66,260 TONNES NICKEL**

Panoramic Resources is pleased to announce an upgrade for the Lanfranchi Project Ore Reserve of 2.7Mt at 2.42% Ni for **66,260 tonnes of contained nickel** as at 30 June 2008 (Table 1).

Table 1: Lanfranchi Ore Reserve at 30 June 2008

Project	Category	30 June 2008			30 June 2007		
		Tonnes (,000)	Ni (%)	Ni (t)	Tonnes (,000)	Ni (%)	Ni (t)
Deacon Reserves	Probable	2,085	2.35	48,954	1,695	2.54	43,009
	Total	<b>2,085</b>	<b>2.35</b>	<b>48,954</b>	<b>1,695</b>	<b>2.54</b>	<b>43,009</b>
Helmut South Reserves	Proven	268	2.29	6,129	410	2.17	8,909
	Probable	-	-	-	-	-	-
	Total	<b>268</b>	<b>2.29</b>	<b>6,129</b>	<b>410</b>	<b>2.17</b>	<b>8,909</b>
Winner Reserves	Probable	99	3.92	3,878	144	4.26	6,139
	Total	<b>99</b>	<b>3.92</b>	<b>3,878</b>	<b>144</b>	<b>4.26</b>	<b>6,139</b>
Lanfranchi Reserves	Probable	126	2.86	3,594	25	1.92	486
	Total	<b>126</b>	<b>2.86</b>	<b>3,594</b>	<b>25</b>	<b>1.92</b>	<b>486</b>
Schmitz Reserves	Probable	87	2.66	2,318	94	2.93	2,750
	Total	<b>87</b>	<b>2.66</b>	<b>2,318</b>	<b>94</b>	<b>2.93</b>	<b>2,750</b>
Martin Reserve	Probable	75	1.86	1,385	-	-	-
	Total	<b>75</b>	<b>1.86</b>	<b>1,385</b>	-	-	-
Total Reserves	Proven	268	2.29	6,129	410	2.17	8,909
	Probable	2,471	2.43	60,129	1,958	2.68	52,396
	Total	<b>2,739</b>	<b>2.42</b>	<b>66,258</b>	<b>2,368</b>	<b>2.59</b>	<b>61,305</b>

*Note 1: Reserves calculated at a 1.0% cut-off except the stoping component of Deacon which is at 0.8% Ni cut-off*

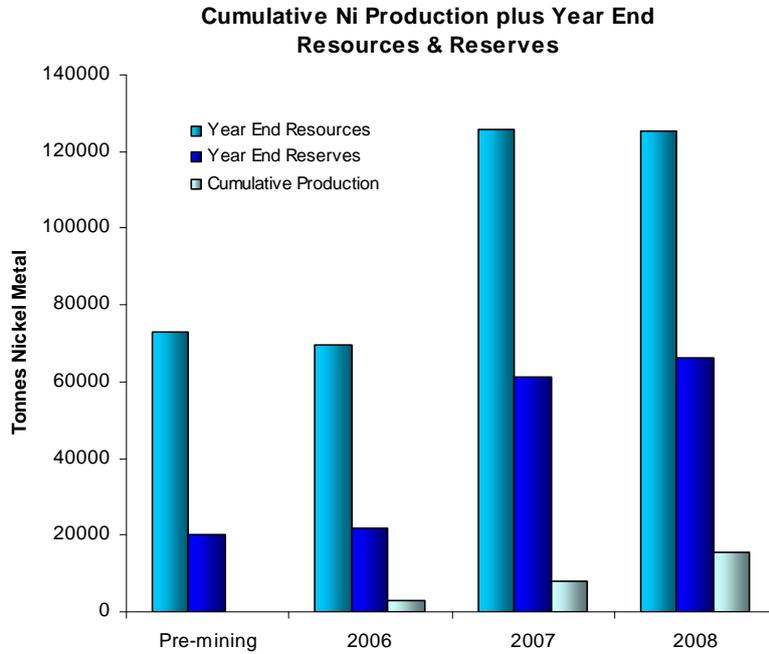
Comments on the Reserve Upgrade

- The Lanfranchi Project Ore Reserves have increased by approximately 12,300t Ni contained (20% increase) before depletion of 2007/08 production
- Significant Ore Reserve growth was achieved from both Deacon and Lanfranchi orebodies
- Further reserve growth is expected at Deacon by the end of 2008 based on drilling of the down-plunge extensions which is underway
- The reserve upgrade underpins the production ramp-up at the Lanfranchi Project which is on schedule
- **With 30 June 2008 reserves at 66,260t Ni contained there has been a four-fold increase in reserves over 3 years which highlights the quality of the project.**



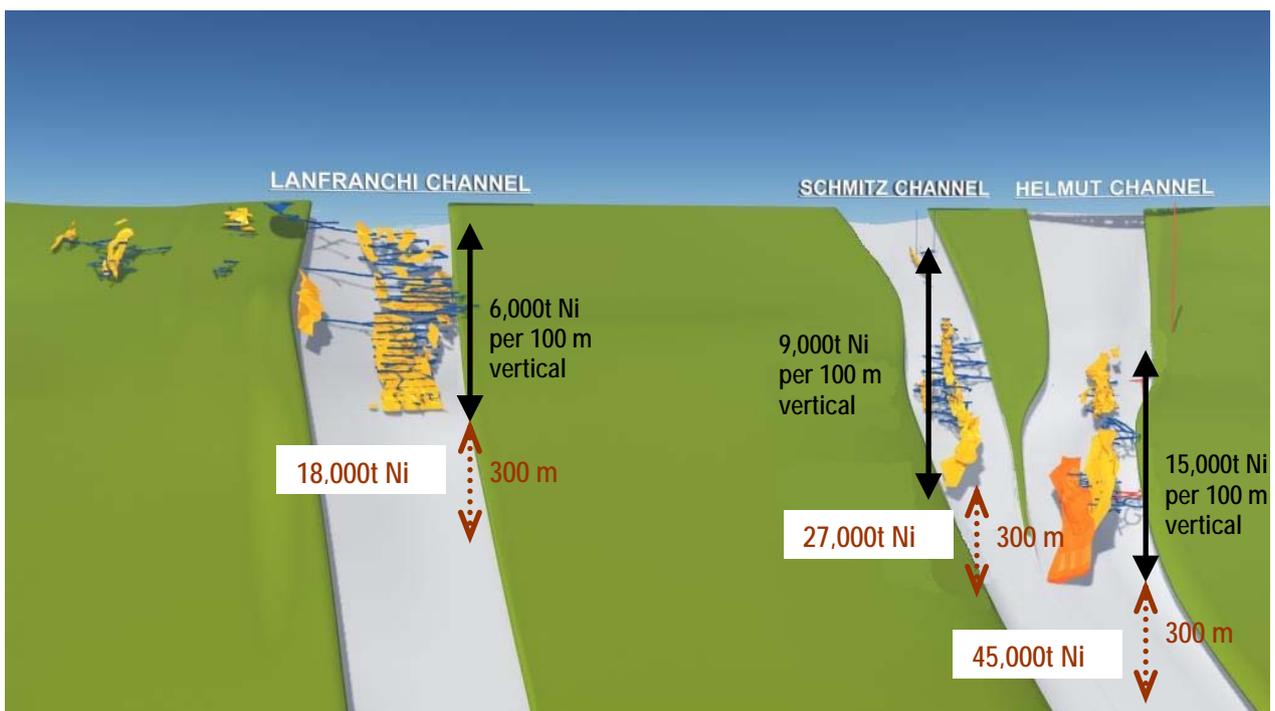
## Historical Production

The cumulative production by the Lanfranchi Joint Venture (Panoramic 75%, Brilliant 25%) from the Lanfranchi Project since production re-commenced in 2005 is approximately 15,500t Ni contained



## Current Exploration & Resource Definition Activities<sup>(1)</sup>

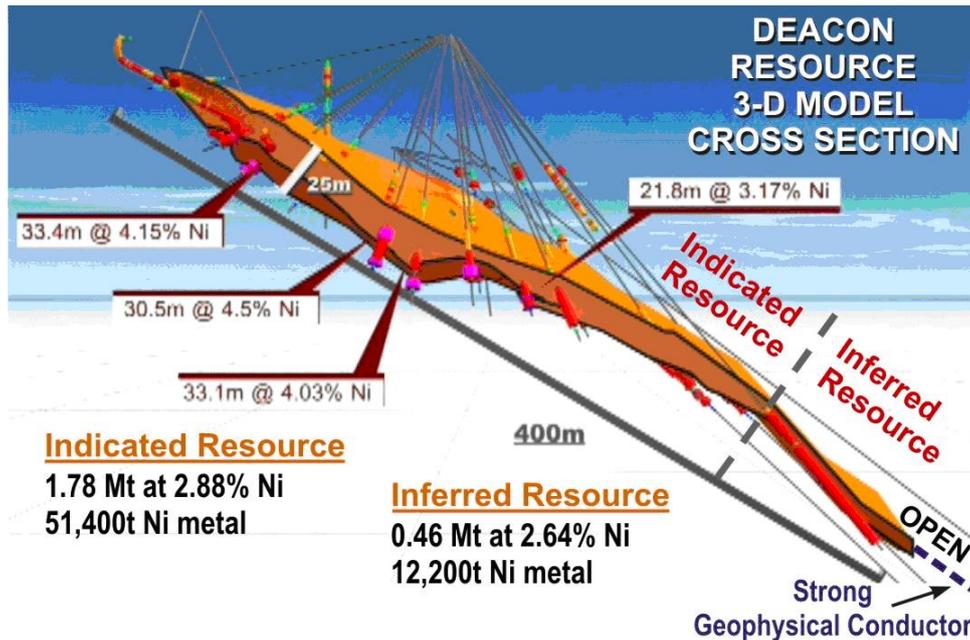
It is anticipated that subject to the mineralisation continuing down-plunge each of the three producing channels (Lanfranchi, Schmitz and Helmut/Deacon) have potential to add significant nickel tonnes. Historically, the Lanfranchi, Schmitz and Helmut channels have produced approximately 6,000, 9,000 and 15,000t Ni contained respectively for each 100 metres of vertical extension.





## Helmut/Deacon

The extensional drilling of the Helmut Channel is currently underway down-plunge at Deacon with plans to convert the Inferred Resource (460,000t at 2.64% Ni for 12,200t Ni contained) to Indicated, allowing detailed mine design work to commence, with the aim of converting the resource to reserve. At the historical resource to reserve conversion rate of approximately 90% this could add up to 10,000t Ni contained to Deacon over approximately 75 metres vertical. Beyond the Inferred Resource area at Deacon the drilling is planned to extend a further 200m vertically and has the potential to add 30,000t Ni contained, subject to positive drill results. The target by the end of 2008 is to add approximately 40,000t Ni contained which would be a 60% increase on the 30 June 2008 reserves.



## Lanfranchi/Schmitz

The drilling of the extensions to the Schmitz and Lanfranchi Channels requires the completion of drilling platforms in the hangingwall of each orebody. This work is in the planning stage and it is expected to take 18 months.

*(1) Any statement referring to potential nickel tonnage is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

## About the Company

Panoramic Resources Limited (ABN:47 095 792 288) is an established Western Australian based nickel sulphide producer with two underground mines, the Savannah Project (100% owned) in the Kimberley, and Lanfranchi Mine (75% owned and operator) 42km south of Kambalda. In 2007/08 our operations produced close to 15,000t Ni contained and a NPAT of \$53.3M. The Company is on track to achieve its internal target of group production of 20,000t Ni per annum for at least the next 10 years. Panoramic has a significant exploration portfolio in the Kimberley and at Lanfranchi and is expanding exploration activities in order to grow the resource base and to increase the operations' mine life. Panoramic is continuing to assess opportunities to grow the Company through acquisitions of projects and/or companies that would be complementary to existing business, and reflect the Company's commodity expertise and risk profile.

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled or reviewed by John Hicks who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Hicks is a full-time employee of Panoramic Resources Limited. Mr Hicks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hicks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Information in this report relating to Ore Reserves has been completed by or reviewed by Jonathon Bayley and Robert Thorburn who are Members of The Australasian Institute of Mining and Metallurgy (MAusIMM). The aforementioned are full-time employees of Panoramic Resources Limited. The aforementioned have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The aforementioned consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*