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Proposed Acquisition of Magma Metals Limited

Investor Presentation

3 February 2012

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The purpose of this presentation is to provide general information about the proposed acquisition by Panoramic Resources Limited (“**Panoramic**”) (ASX: PAN) of shares in Magma Metals Limited (“**Magma**”) (ASX: MMW; TSX: MMW) by way of an off-market takeover bid (“**Offer**”). This presentation should not be considered as an offer or invitation to subscribe for or purchase any securities in Panoramic or as an inducement to make an offer or invitation with respect to those securities.

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All figures are expressed in Australian dollars unless stated otherwise.

Information in this presentation relating to Panoramic’s Ore Reserves has been completed by or reviewed by Jonathon Bayley (MAusIMM) and Lilong Chen (MAusIMM). Mr Bayley and Mr Chen are full-time employees of Panoramic and 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 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bayley and Mr Chen consent to the inclusion in this presentation of the matters based on their information in the form and context in which it appears.

Transaction Summary

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Transaction	<ul style="list-style-type: none">Off-market takeover bid (“Offer”)2 New PAN shares for every 17 MMW shares#
Value of Offer	<ul style="list-style-type: none">AUD14.94 cents per Magma share based on exchange ratio of 2 for 17 and based on Panoramic’s closing share price of A\$1.27 on 2 February 2012 representing:<ul style="list-style-type: none">86.8% premium to Magma’s last close on ASX on 2 February 2012 (AUD8.00 cents)88.0% premium to Magma’s 1 month VWAP on ASX to 2 February 2012 (AUD7.95 cents)70.4% premium to Magma’s 3 month VWAP on ASX to 2 February 2012 (AUD8.77 cents)
Summary of Conditions [^]	<ul style="list-style-type: none">90% minimum acceptance conditionthere be no “spin out” of Magma’s gold assetsthe Offer remains exempt from the formal bid requirements of the Securities Act (Ontario)no “prescribed occurrences” occurno material adverse change occurs in relation to Magmano acquisitions or disposals of >A\$250,000the Offer does not trigger adverse 3rd party rightsno regulatory action
Indicative timetable*	<ul style="list-style-type: none">Lodge Bidder’s Statement – Wednesday, 8 February 2012Despatch Bidder’s Statement – Thursday, 23 February 2012Offer opens – Thursday, 23 February 2012Magma to lodge Target’s Statement – early March 2012Offer Closes (unless extended) – Friday, 23 March 2012

[^]See appendix to PAN’s ASX announcement dated 3 February 2012 for full Offer conditions

*subject to change

Ineligible foreign Magma shareholders who accept the Offer, and Magma shareholders who, if they accept the Offer, would be entitled to an unmarketable parcel of Panoramic shares, will not receive shares in Panoramic. The Panoramic shares such shareholders would have received will be sold by an ASIC approved nominee and those shareholders will receive the sale proceeds less expenses. Panoramic shares issued under the Offer will not carry the right to any dividend that Panoramic might declare before the end of February 2012. Full details of Panoramic’s Offer will be set out in its bidder’s statement which it anticipates will be lodged on or about Wednesday, 8 February 2012.





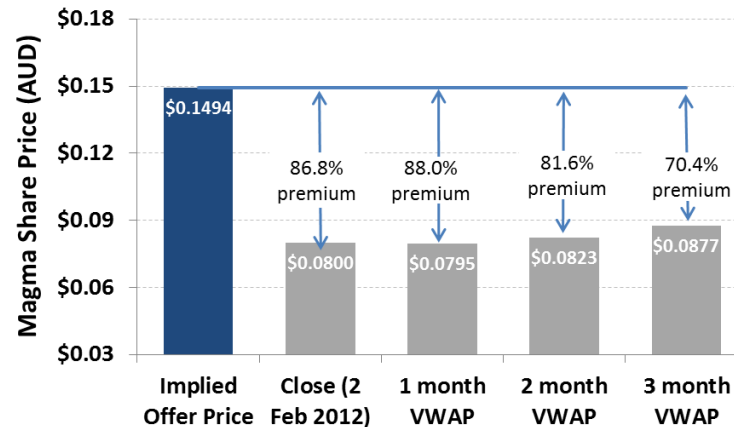
- ✓ Acquisition is consistent with stated strategy of building Panoramic into a significant diversified mining company through organic growth, exploration success, developments and selective acquisitions
- ✓ Magma's early stage projects are in our targeted commodities of platinum group metals (Thunder Bay North in Canada) and gold and nickel (Western Australia)
- ✓ Panoramic currently own 24.97M shares in Magma, representing 9.34% of the company and is familiar with the company's projects
- ✓ Panoramic is well placed with its strong multi-disciplined management team and significant financial resources to fully explore, appraise and hopefully develop Magma's projects (subject to further exploration success and satisfactory economics)
- ✓ Scrip based offer conserves Panoramic's cash resources* and should add to Panoramic's market capitalisation and liquidity

* Based on the acquisition of 100% of Magma, the combined cash and receivables for the merged group will be more than A\$100 million (Panoramic: ~A\$90 million & Magma: ~A\$12.4 million as at 31 December 2011)





- ✓ Offer price represents an attractive premium



- ✓ Participate in an S&P/ASX200 company with A\$90 million in cash and receivables as at 31 December 2011 and a market capitalisation (pre-Offer) of A\$263 million
- ✓ Receive immediate exposure to a more diversified mining company with a portfolio of operating mines and exploration projects
- ✓ Panoramic has a history of generating profits, paying dividends and investing for growth
- ✓ Benefit from Panoramic's multi-disciplined management team which has a strong track record of project delivery, operations expertise and exploration success
- ✓ Retain an exposure to Magma's projects whilst at the same time significantly reduce future funding risks by being part of a larger company
- ✓ Share in the potential upside embedded in Panoramic's portfolio and share price



OPERATING MINES (Panoramic)

Savannah Project (100%)

- Underground nickel sulphide mine & processing plant
- Currently producing ~7-8,000tpa Ni in concentrate + Cu & Co credits
- Reserve life ~7 years

Lanfranchi Project (100%)

- Underground nickel sulphide mine
- Currently producing ~10-11,000tpa Ni in ore
- Reserve life ~6 years

EXPLORATION PROJECTS (Panoramic)

Kimberley

- Savannah Regional (100%); base metals
- East Kimberley JV (61%); base metals

Cowan (100%)

- Kambalda Region; Ni

Bluebush (Earning 80%)

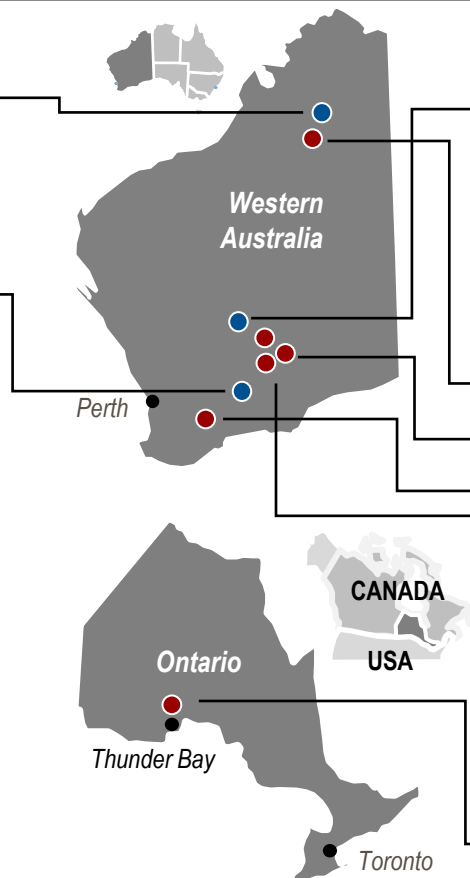
- Northern Territory; base metals, Au, ind. minerals

Scandinavia

- Alliance with Drake Resources Ltd in Finland and Norway; base metals

LISTED INVESTMENTS (Panoramic)

- Hot Chili (ASX:HCH)
- Thundelarra (ASX: THX)
- Liontown (ASX: LTR)



WA GOLD PROJECTS (Panoramic)

Gidgee Gold Project (100%)

- Historical production of 1Moz ceased in 2005
- ~1,200km² of prospective tenure
- Limited exploration since 2005
- Exploration program advancing

WA GOLD PROJECTS (Magma)

- Laura River (70%); Au, Cu, Fe
- Mt Jewel (80%); Au, Ni
- Roe (100%); Au, Ni, Cu
- Lake Grace & Griffins Find (100%); Au

OTHER PROJECTS (Magma)

Laverton (Ni)

- Farming out to Poseidon Nickel Ltd (earning 60%-100%)

CANADIAN PROJECTS (Magma)

Thunder Bay North (100%)

- PGM-Cu-Ni Project in Ontario
- Indicated Resource 9.5Mt @ 2.3g/t Pt-Eq*
- Engineering studies & exploration ongoing

CASH & RECEIVABLES (31 Dec 11)

- Panoramic ~ A\$90M
- Magma ~ A\$12.4M
- **COMBINED ~ A\$102.4M**

*Refer to Magma's ASX announcements of 6 September 2010 & 7 February 2011 for details

Through organic growth, exploration success, developments and selective acquisitions we will achieve our objective to become a significant diversified mining company

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