31 October 2017

PANORAMIC RESOURCES LTD

VISION | COMMITMENT | RESULTS

ASX:PAN

Quarterly Report for the period ending 30 September 2017

Significant Points

GROUP

- Safety – **no LTIs recorded**
- Mineral Resources – **313,600t Ni (22% increase on FY2016), 99,100t Cu and 14,900t Co**
- Ore Reserves – **116,800t Ni (424% increase on FY2016), 52,400t Cu, 7,600t Co**

NICKEL

Savannah

- Updated Savannah Feasibility Study (Updated FS) released, which enhances the fundamentals for a decision to restart. The results include:
    - **C1 cash costs of US$1.50/lb or A$1.90/lb (nickel in concentrate)**
    - **Operating cash costs of US$2.40/lb or A$3.10/lb (payable nickel)**
    - **Annual LOM average production (metal in concentrate) – 10,800t nickel, 6,100t copper, 800t cobalt**
    - **Mine life – approximately 8.3 years**
- Discussions continuing with a range of potential financiers including offtake partners, traditional resources banks and other resource financing organisations

Lanfranchi

- Project remains on care and maintenance
- Site costs being offset from leasing out the accommodation village

GOLD

Gum Creek (51% indirect)

- Exploration ongoing
- Project and corporate management being provided by Panoramic staff on a cost recovery basis

PGM

Panton

- Research work by Curtin University ongoing

Thunder Bay North (TBN)

- Discussions with Rio on future strategy ongoing

CORPORATE

- Perth Office – maintained focus on reducing corporate overhead

Group Summary

Safety

No lost time injuries.

Environment

There were no significant environmental incidents recorded and the operations were maintained within all statutory, regulatory and licence conditions.

Nickel – Savannah Project

General

The Savannah operation remain on care and maintenance (C&M) . During the quarter, the care and maintenance teams were focused on the following activities:

- Pumping and evaporating the high volume of surface and underground water in preparation for the wet season;
- On going maintaince of mobile and fixed plant;
- Reviewing site refurbishment work in preparation for a restart of mining operations; and
- Reviewing the potential to lease part of the village on a short-term basis to cover some site C&M costs.

Restart Plan – Updated Feasibility Study

The results of an update ("Updated FS) to the February 2017 Savannah Feasibility Study ("February 2017 FS") were released on 27 October 2017 (*refer to the Company's ASX announcement of 27 October 2017*). The Updated FS enhances the fundamentals prior to a decision to restart the Project, through further improvements to the mine plan and schedule, additional metallurgical testwork leading to a better understanding of expected flotation performance, and updates to capital and operating estimates to reflect recent cost movements since the earlier studies.

Commodity prices and the US$:A$ FX rate used in the Updated FS Base Case modelling are shown in Table 1 and are close to current prices.

The Updated FS Base Case was undertaken using monthly physicals and cash flows and includes movements in working capital. Modelling was undertaken on a pre-tax, ungeared, real-dollars basis using a discount rate of 8%. All amounts are expressed in A$ unless noted otherwise. Input costs are as at September 2017.

Marketing terms used in the financial modelling are based on recently received indicative terms for a concentrate with typical specifications of 8% Ni, 4.5% Cu and 0.6% Co derived from the 2017 metallurgical testwork program on Savannah North samples.

Table 1 – US$ Commodity price lines and US$:A$ FX rate used for the Updated FS (Financial Base Case)

Commodity/FX	Base Case
Nickel	**US$5.50/lb**
Copper	**US$3.10/lb**
Cobalt	**US$28.00/lb**
US$:A$ FX rate	**0.78**

Key physicals from the Updated FS and comparison with the February 2017 FS are summarised in Table 2.

Table 2 – Resource and Production Summary

Operating Metric	February 2017 Savannah FS	October 2017 Savannah Updated FS
Mineral Resource*	13.9Mt @ 1.63% Ni, 0.75% Cu and 0.11% Co for 226,400t nickel, 104,700t copper and 15,300t cobalt	13.2Mt @ 1.65% Ni, 0.75% Cu and 0.11% Co for 218,300t nickel, 99,100t copper and 14,900t cobalt
Mine Production	8.25Mt @ 1.38% Ni, 0.65% Cu and 0.09% Co for 114,000t nickel, 53,700t copper and 7,700t cobalt	7.65Mt @ 1.42% Ni, 0.68% Cu and 0.10% Co for 108,700t nickel, 51,700t copper and 7,300t cobalt
Mine Life	10.25 years	8.3 years
Life-of-mine metal in concentrate production	99,200t Ni, 51,500t Cu and 6,900t Co	90,200t Ni, 50,700t Cu and 6,700t Co
Average annual metal in concentrate production*	9,700tpa Ni, 5,000tpa Cu and 670t Co	**10,800tpa Ni, 6,100tpa Cu and 800t Co**

*Approximately 1.1% of nickel in the Updated FS production target is from material classified as Inferred Resource. The maximum annual proportion of contained nickel derived from Inferred Resources is 2.4%, in Year 5 of the mine plan.

Cautionary Statement

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production targets themselves will be realised.

As with the February 2017 FS, the Updated FS is based on mining the remaining Ore Reserve at Savannah, whilst developing across to the Savannah North deposit. The proposed access method and development timeframe for Savannah North are unchanged from the February 2017 FS, i.e. via decline from the existing Savannah decline at the 1440 Level, with access development from Savannah to first ore at Savannah North scheduled to take approximately nine months.

Changes to the mine plan and schedule since the February 2017 FS have focused on smoothing the development and mining rates to achieve more effective equipment utilisation, better management of ventilation requirements, and delivering more consistent ore tonnages and higher grades to the mill. These changes to the mine plan result in a shorter mine life of 8.3 years compared to the February 2017 FS, but with an ore mining rate over LOM averaging 0.92Mtpa (February 2017 FS LOM average 0.8Mtpa).

The 2017 Savannah North mineralogical and metallurgical testwork programs are now complete. The programs were primarily focused on confirming the metallurgical performance of treating Savannah North ore through the existing Savannah plant to deliver an optimum bulk nickel/copper/cobalt concentrate product for sale. QEMSCAN™ mineralogical testwork completed on Savannah North has shown that Savannah North ore, whilst mineralogically similar to Savannah ore, has a higher pyrrhotite:pentlandite ratio than Savannah. Laboratory scale flotation testwork has shown that Savannah North samples achieve a slightly lower recovery (typically 3-5% lower) compared to a Savannah reference sample, which is reflective of the higher pyrrhotite:pentlandite ratio.

The Updated FS assumes life-of-mine average recoveries of ~84% for Savannah North Lower Zone and ~82% for Savannah North Upper Zone into a bulk Ni-Cu-Co concentrate with an 8% nickel in concentrate grade. Testwork also shows that Savannah North has higher Cu and Co recoveries than previously achieved from Savannah ore. The Updated FS assumes an average recovery 98% for Cu and 92% for Co over the life of mine.

Metal in concentrate production is forecast to average 10,800t Ni, 6,100t Cu and 800t Co per year with 90,200t Ni, 50,700t Cu and 6,700t Co in concentrate produced over the life of mine. The Savannah North concentrate is low in impurities and has attractive Fe:MgO and Ni:Fe ratios, making it an ideal blending feed for nickel sulphide smelters.

Operating costs have been updated to reflect September 2017 pricing. The main increase in operating costs compared to the February 2017 FS is due to salaries, reflecting a recent tightening up of labour rates in the WA mining industry. Power costs are also higher, reflecting increased ventilation and cooling requirements, particularly later in the mine life. Conversely, a range of consumables costs have decreased compared to the February 2017 FS. **Overall, site operating costs, on a cost per tonne milled basis, are 2% lower than in the February 2017 FS.** Other factors having a positive impact on operating costs include:

- Higher mill throughput and average head grade;
- Higher by-product credits;
- Owner-operated concentrate transport fleet;
- Improved village catering terms; and
- Hybrid solar-diesel power generation.

Forecast average life-of-mine operating cash costs of US$2.40/lb Ni (payable nickel basis after by-product credits) derived from the Updated FS are significantly lower than the February 2017 FS estimate of $US3.30/lb.

Table 3 summarises the financial outcomes of the Updated FS for the Base Case commodity prices/ US$:A$ FX rate and Long Term (LT) Real (2017$) commodity prices/ US$:A$ FX rate.

Table 3 – Updated FS Financial Summary for a range of US$ commodity prices and US$:A$ FX rates (rounding to two significant figures)

Financial Metrics	Units	Base Case Prices	Long Term Prices*
Commodity Price Assumption - Ni	US$/lb	5.50	6.75
Commodity Price Assumption - Cu	US$/lb	3.10	2.72
Commodity Price Assumption - Co	US$/lb	28.00	26.00
US$:A$ Exchange Rate Assumption	US$	0.78	0.75
Revenue	A$M	1,470	1,720
Up-front Capital *(pre-production)*	A$M	36	32
LOM Capital *(inclusive of up-front capital)*	A$M	240	230
Operating costs plus royalties	A$M	900	920
Pre-tax cash flow	A$M	330	570
Pre-tax NPV (8% discount rate)	A$M	210	380
IRR	%	100	200
C1 cash costs *(Ni in concentrate basis)*	A$/lb Ni	1.90	2.10
	US$/lb	1.50	1.60
Operating cash costs *(payable Ni basis)*	A$/lb Ni	3.10	3.40
	US$/lb	2.40	2.60
Sustaining cash costs *(operating cash costs plus sustaining capital, payable Ni basis)*	A$/lb Ni	4.50	4.80
	US$/lb	3.50	3.60

*** The Long Term (LT) Real (2017$) US$ nickel and copper prices and the US$:A$ FX rate are consensus forecasts sourced from UBS Global I/O Miner Price Review, dated 5 October 2017. The LT Real (2017$) US$ cobalt price is sourced from Macquarie Bank Limited Research Report titled "Price Forecast Changes", dated 9 October 2017.**

In the Updated FS Base Case, **cobalt is an important contributor to revenue, comprising over 20% of gross (mine gate) revenue,** over life-of-mine (*Figure 1*). Annual and cumulative cash flow using Base Case US$ commodity prices and US$:A$ FX rate is shown in Figure 2.

Figure 1 – Percentage contributions to gross (mine gate) revenue of nickel, copper and cobalt

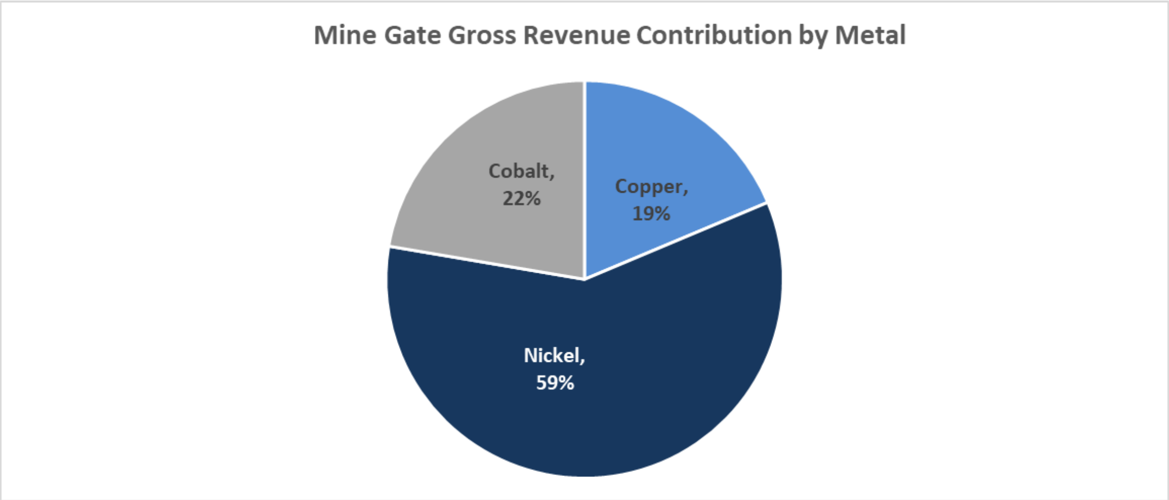
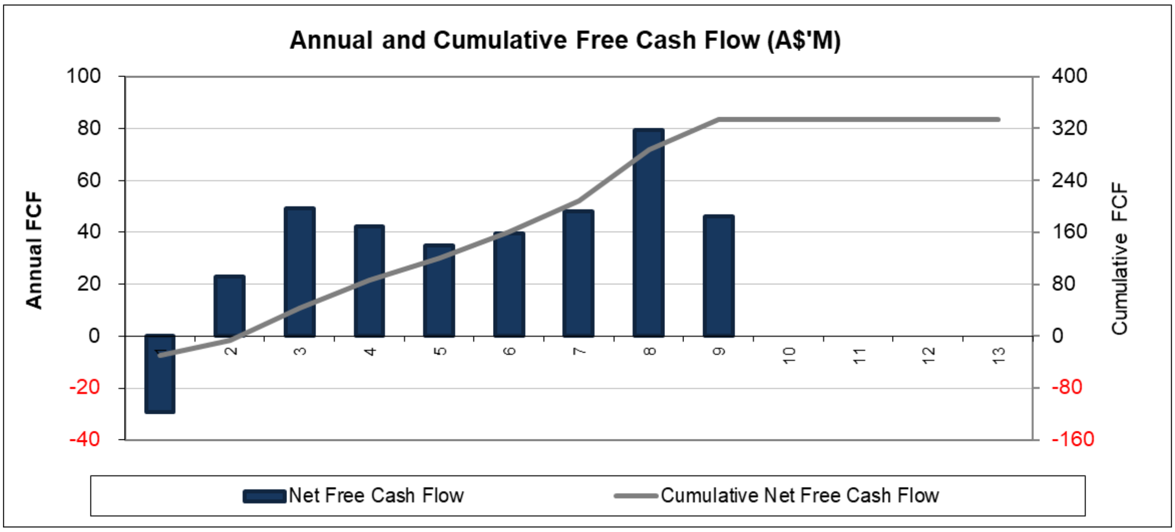


Figure 2 - Annual and cumulative cash flow at Base Case US$ commodity prices and US$:A$ FX rate



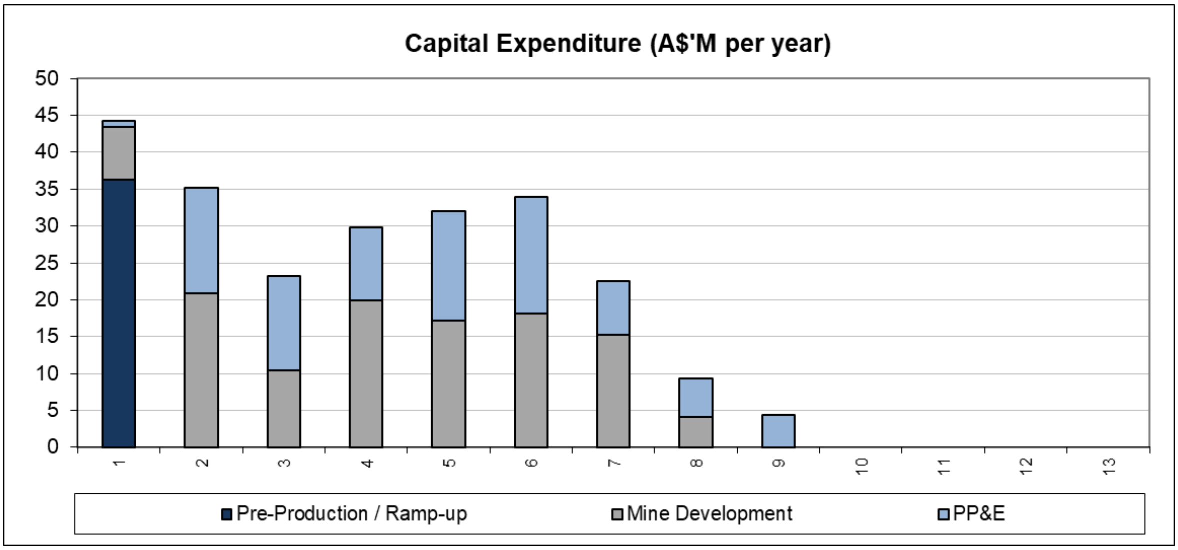
At the price lines assumed for the Updated FS Base Case, **maximum cash draw down is approximately $40M**, which occurs during the three-month ramp-up period after commencement of production. The Project becomes sustainably cash flow positive 14 months after recommencement of production and **project payback is achieved less than two years after the commencement of production**.

Pre-production and ramp-up capital costs in the Updated FS (Base Case) are $36M. The ramp-up period is assumed to cover the first three months of production, during which time all operating costs and revenue would be capitalised. Life-of-mine capital expenditure, inclusive of pre-production costs, mining capital development and sustaining property, plant and equipment (PP&E), but excluding closure costs, is estimated to be $235M (*Table 4*). No contingency is applied. The estimated annual capital expenditure profile is shown in Figure 3.

Table 4 - Updated FS – pre-production, ramp-up, sustaining and LOM capital cost estimates ($'M) (amounts are rounded to nearest $1M)

Description	Pre-production and ramp-up	Sustaining	Life of Mine
Mine development	8	103	111
Mining mobile equipment	4	32	36
Capitalised pre-production and ramp-up opex	28	-	28
Other pre-production and sustaining capital	6	23	29
Savannah North primary ventilation	4	13	17
Plant refurbishment	10	-	10
Tailings facilities construction	2	8	9
Solar power plant	-	7	7
TSF 1 capping	-	7	7
Concentrate haulage fleet	-	5	5
Initial store inventories	2	-	2
Capitalised Revenue	(28)	-	(28)
TOTAL	**36**	**198**	**235**

Figure 3 – Updated FS – Annual capital expenditure profile



Unit site operating costs on a per tonne milled basis in the Updated FS are estimated to be $97/t compared to $99/t in the February 2017 FS, a reduction of 2% (*Table 5)*. Total life-of mine site-based operating costs in the Updated FS are reduced to $730M, compared to $800M in the February 2017 FS.

Employment-related costs comprise the largest single item at over 25% of total operating costs. When flights and contractor costs relating to camp services are included, labour and associated employment costs comprise over 30% of total cash operating costs. Power and fuel expenditure, largely due to diesel consumption for on-site power generation, together comprise almost 15% of costs.

Table 5 - Updated FS – Life of Mine Unit Cash Operating Cost ($/t milled)

Description	LOM cost per tonne milled (A$/t)	LOM total (A$'M)
Mining (including Geology)	59	440
Processing	21	160
Other site costs	17	130
Total	**97**	**730**

Sensitivity Analysis

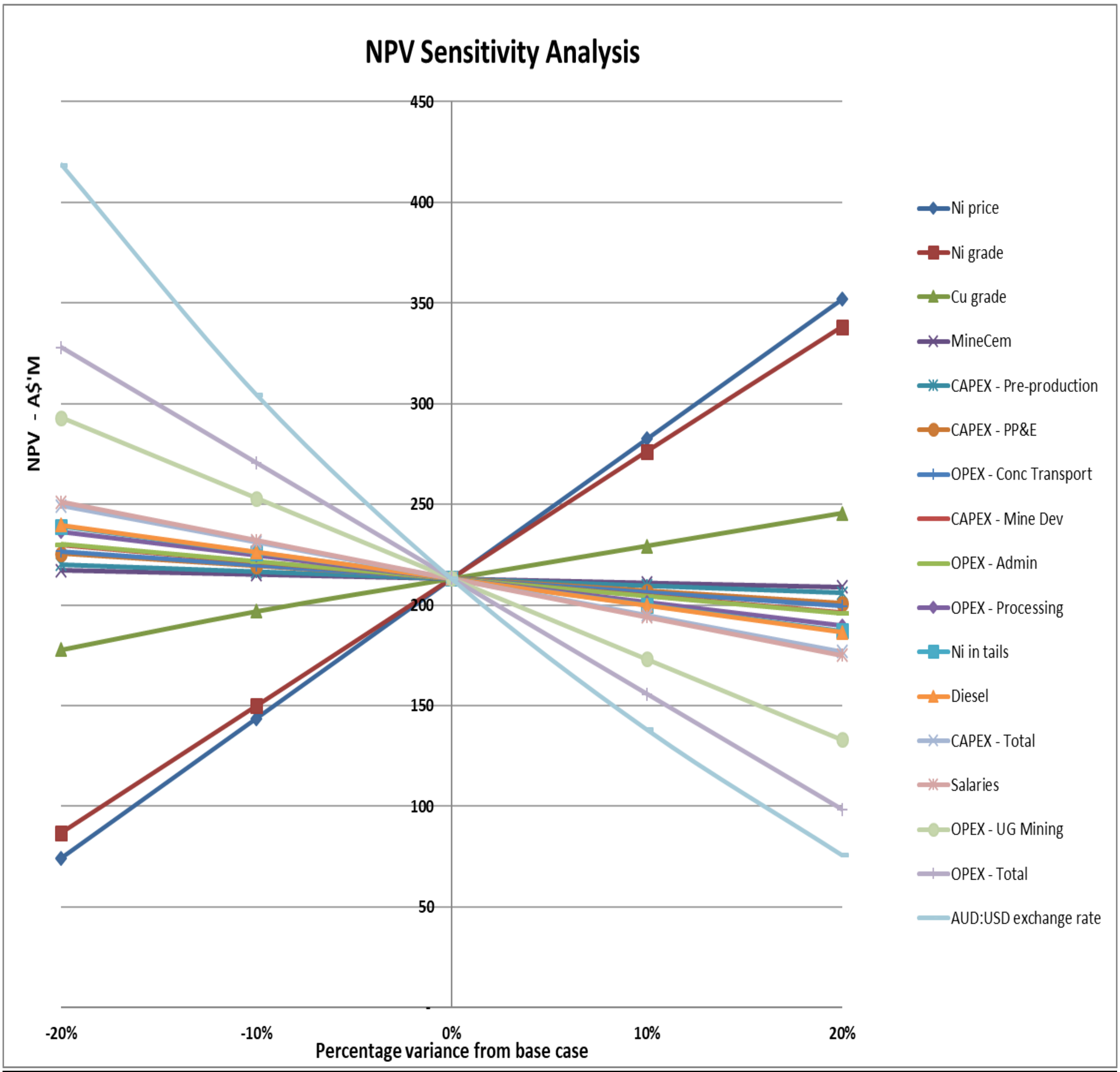
The Updated FS Base Case uses a flat nickel price of US$5.50/lb over the mine life. Importantly, the consensus view of commodity price forecasters is for a return to higher nickel prices, partly driven by increased use of nickel in batteries by the rapidly emerging electric vehicle industry. Accordingly, **the Project is highly leveraged to any future recovery in the US$ nickel price. At a nickel price of US$8.00/lb and US$:A$ FX rate of US$0.75 (Long Term Real (2017$) FX rate), the Savannah Project would generate a pre-tax NPV of ~$600M.**

Project NPV sensitivities at a range of US$ nickel prices and US$:A$ FX rates are shown in Table 6. Sensitivities to a range of internal and external factors for a +/- 20% movement from the Base Case parameters are shown in Figure 4.

Table 6 - NPV sensitivity table for a range of US$ nickel prices and US$:A$ FX rates

Pre-tax NPV$_8$ ($'M)		Nickel Price (US$/lb)					
		5.00	**6.00**	**7.00**	**8.00**	**9.00**	**10.00**
US$:A$ FX Rate	**0.65**	270	453	635	790	946	1,102
	0.70	207	377	546	690	835	979
	0.75	153	312	469	604	739	874
	0.80	105	254	401	528	654	781
	0.85	63	203	342	461	580	699

Figure 4 – Sensitivity of NPV to a range of internal and external factors.



Funding Requirements/Next Steps

A funding requirement (i.e. maximum negative cash draw down) of approximately $40M inclusive of working capital, but excluding contingency, is estimated for the price lines modelled, peaking during the three-month ramp-up period after commencement of production. The Company is continuing discussions with a range of potential financiers including offtake partners, traditional resource banks and other resource financing organisations. Indicative financing proposals have been received covering a variety of funding options, including:

- Traditional bank resource project financing;
- Offtake financing / prepayments; and
- Streaming mechanisms.

The Company is working through the range of financing options to determine the optimal quantum and structure. As a result of the level of interest received to date, the Company is confident that appropriate funding will be available for the project. Financing activities are on-going.

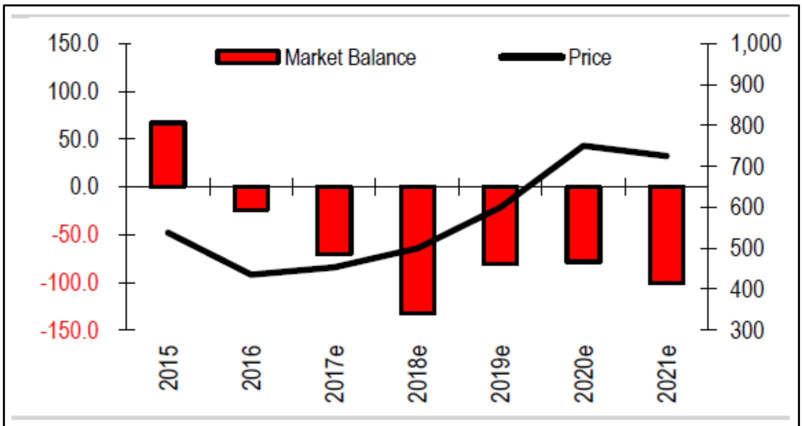
Nickel and Cobalt Outlook

Panoramic is encouraged by the outlook for nickel and cobalt prices, largely on the expected uptake of electric vehicles (EV's). Global investment bank UBS notes in its latest Miner's Price Review (UBS, 5 October 2017) that:

> *"The EV / Battery industry is feverishly lifting capacity by up to 4-5x by early next decade as auto OEMs turn attention to developing EV powertrains suitable for entire portfolios of vehicles. The supply chain is gearing up; the battery revolution is coming. Momentum is tightening raw material markets, lithium and cobalt most noticeably, but nickel and copper too in coming years.*
>
> *We think EVs' could offer a renaissance for the nickel market. Nickel-cobalt-aluminium & nickel-manganese-cobalt cathodes are set to capture the lion's share of growth in EV battery capacity. The transition to more nickel rich (and less cobalt rich) chemistries, plus our base case EV forecast of 15mn sales by 2025e implies total nickel demand might increase by 300-900ktpa, or +10%-40%. And only half of the world's nickel supply can produce battery grade."*

The Company notes that UBS is forecasting nickel deficits of 71kt to 132kt between 2018 and 2021, with nickel prices during that time forecast to increase to US$7.50/lb in 2020 (*Figure 5*).

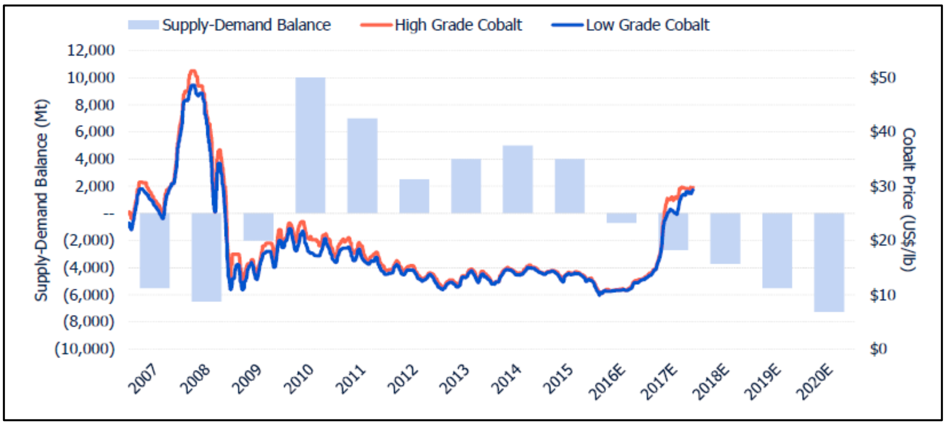
Figure 5 – Forecast nickel supply/demand balance (Mt – left-hand scale) and nickel prices (USc/lb – right-hand scale) (Source: UBS Global I/O Miner's Price Review, 5 October 2017).



Source: UBS Research.

In regard to cobalt, Macquarie Bank is forecasting cobalt prices to increase to US$41/lb in 2022, with the fast growth of EV demand pushing the cobalt market into sustained and widening shortages (*Macquarie Research Commodities Compendium, 10 October 2017*). Specialty cobalt investment company Cobalt 27 Capital Corp (C27), is forecasting cobalt demand in lithium-ion batteries to grow at a 11.7% CAGR to 2022. On the supply side, C27 notes that supply is currently concentrated in the DRC, a relatively politically unstable country, where approximately 15% of DRC output is from unregulated artisanal mining (*C27 corporate presentation, 20 September 2017*). C27 expects the current supply deficit to continue (*Figure 6*).

Figure 6 – Forecast cobalt supply/demand balance (Mt – left-hand scale) and historical cobalt prices (Metal Bulletin, nominal US$/lb – right-hand scale) (Source: Cobalt 27 corporate presentation, 20 September 2017).



Exploration

FY2018 Exploration Programs – Savannah and Regional

There were no specific exploration programs undertaken at Savannah during the quarter, due to the focus on finalising the Savannah Feasibility Study Update.

The principal aim of the Group FY2018 exploration program is to add to the mineral resources at Savannah through near mine and regional exploration, by searching for and testing Savannah-style intrusions. The Company has budgeted $1.2 million in FY2018 for surface drilling, down-hole electromagnetics (DHEM), soil sampling and regional reconnaissance.

On the Savannah Mine leases, it is planned in the March 2018 quarter to conduct further drilling at Subchamber D which is located directly underneath the Savannah village (*refer Figure 7*).

In the area surrounding the Savannah mine, the Company has budgeted to drill-test Savannah-style intrusions at Frog Hollow (E80/4880) and Wilsons (E80/4880) and to conduct mapping and soil sampling programs over several gravity highs located due west of the mine on E80/4834 (*Figure 8*). An application has been lodged for E80/5131 to secure the northern third of the Frog Hollow intrusion not currently held by the Company.

Figure 7 – Simplified Savannah geological plan showing location of Subchamber D

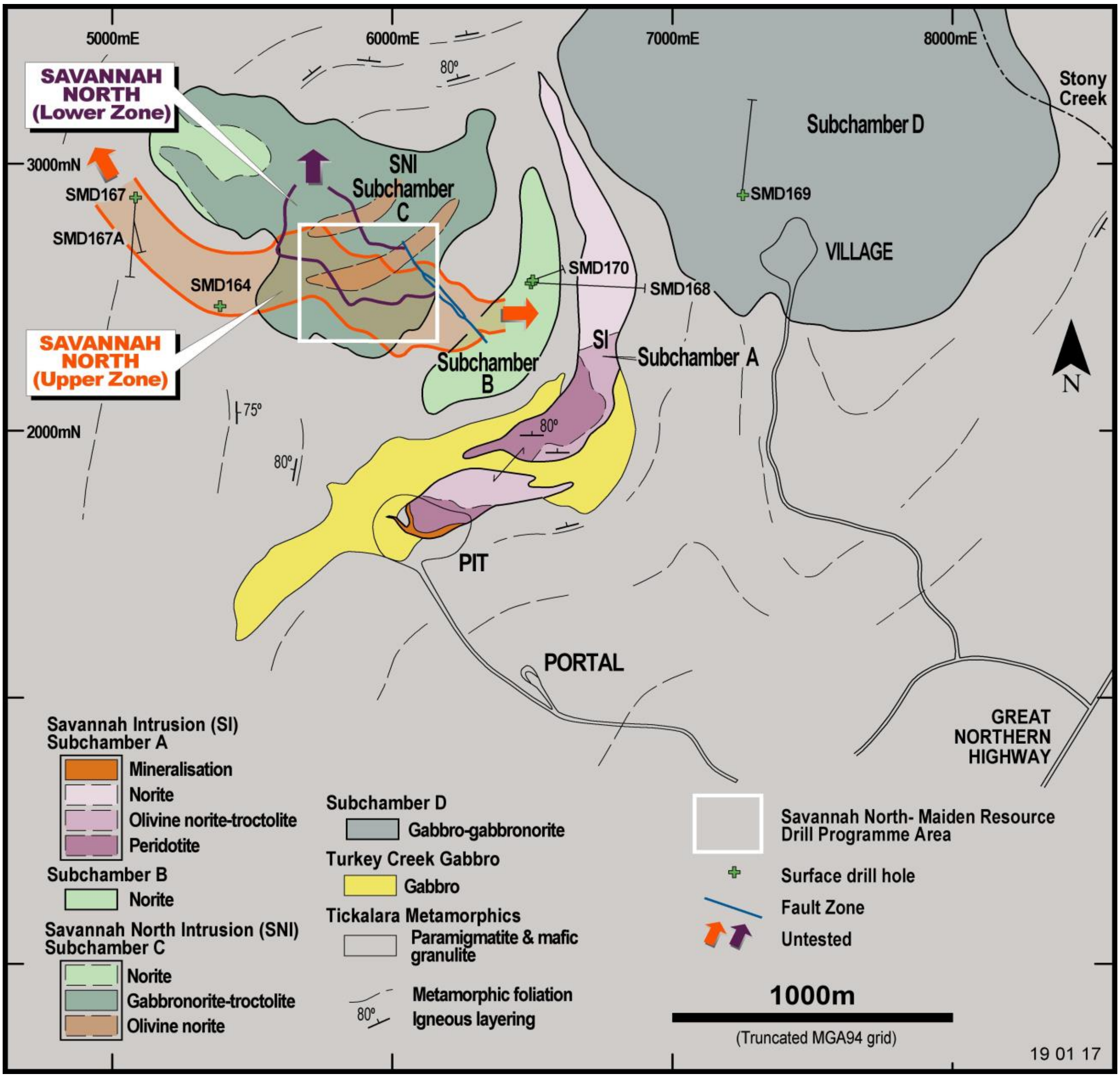
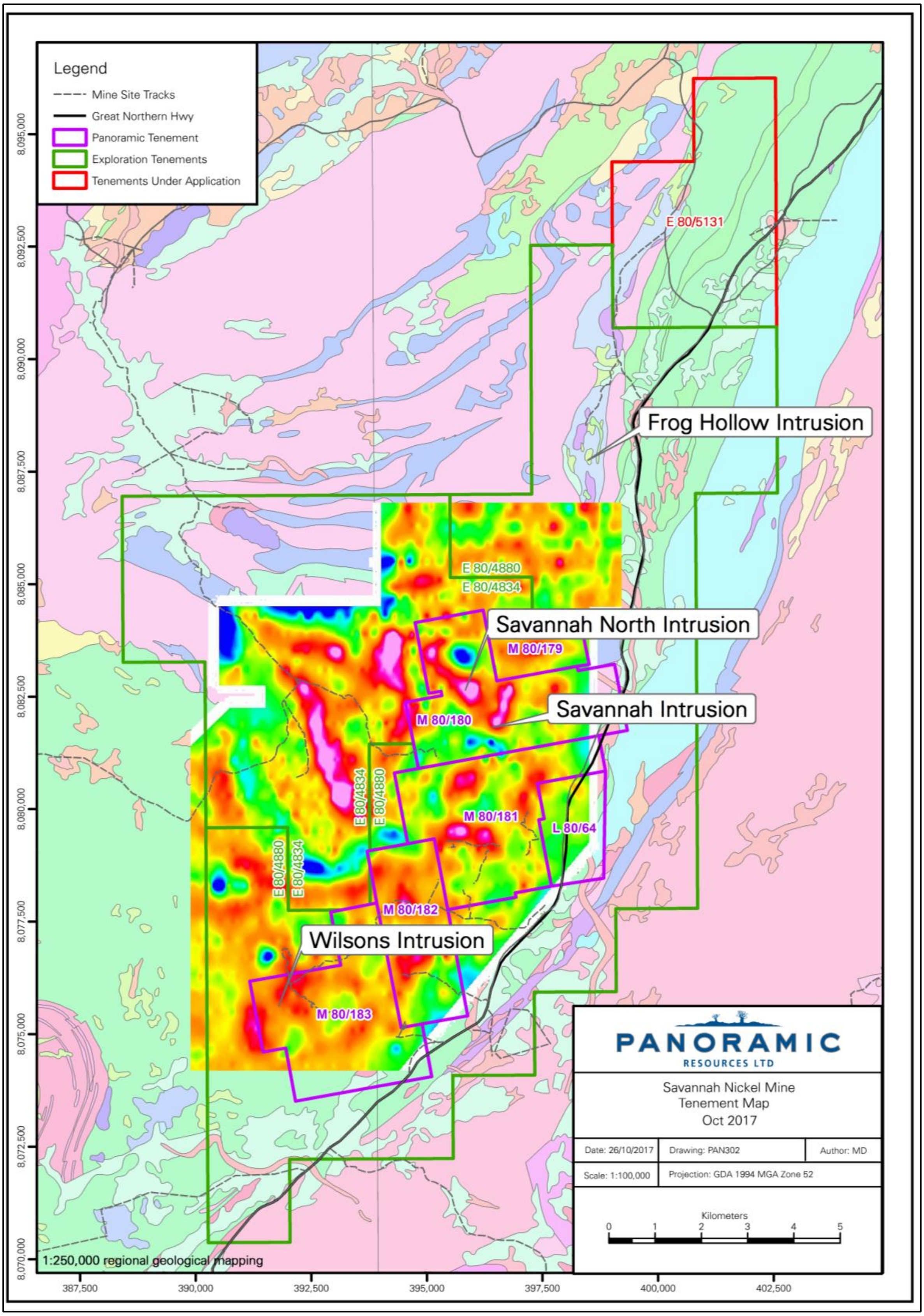


Figure 8 – Savannah Area Plan showing geology, 2012 ground gravity survey data and tenements



Nickel – Lanfranchi Project

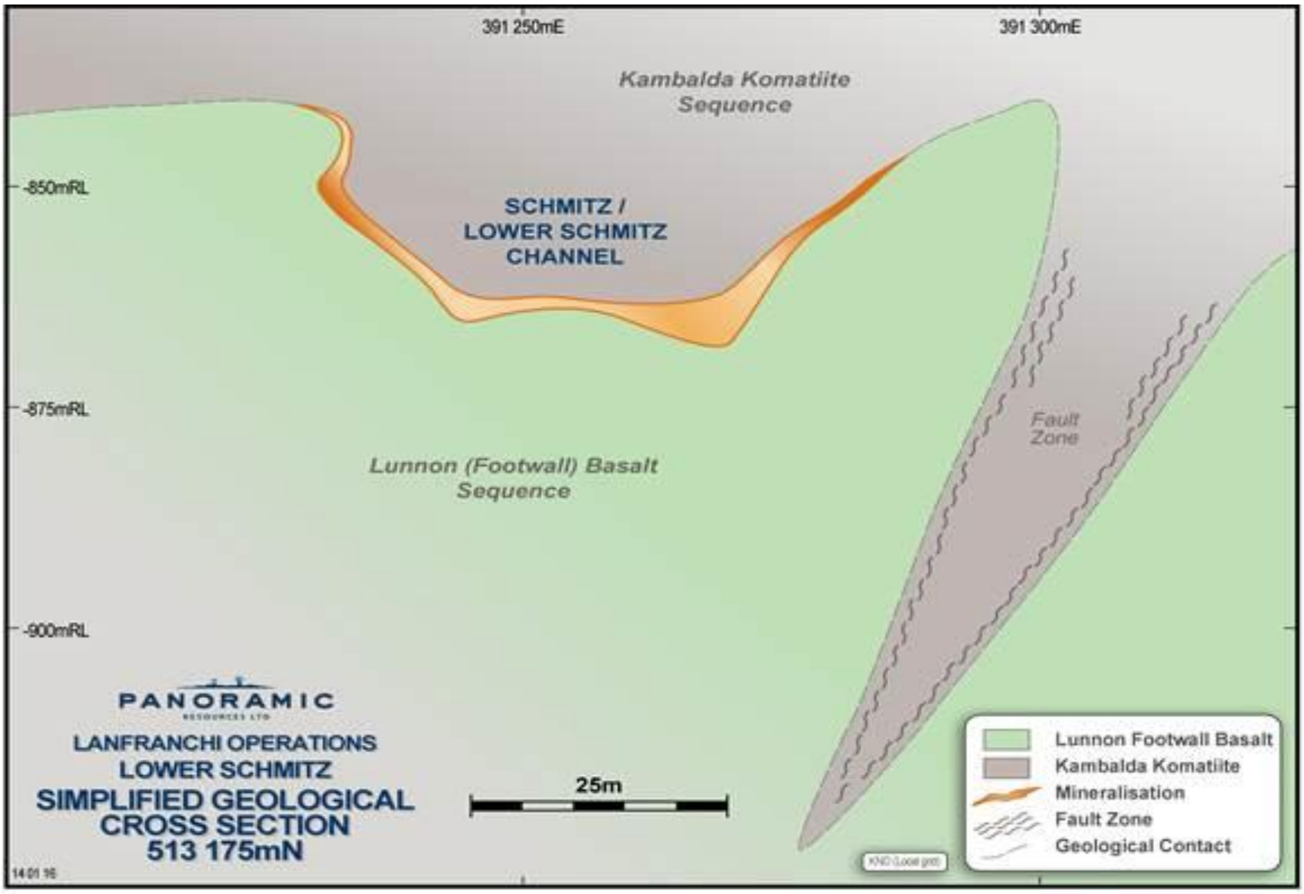
General

The Lanfranchi Project has a Resource base of approximately 5.65 million tonnes at an average grade of 1.69% Ni for 95,500 tonnes of nickel contained, with approximately half of the Resource classified in the 'Measured' or 'Indicated' category (*refer to the Company's ASX announcement of 30 September 2016*).

Since placing Lanfranchi on care and maintenance in November 2015, a maiden Resource estimate for Lower Schmitz of **131,000t at 5.1% Ni for 6,700t Ni** was defined (*refer to the Company's ASX announcement of 28 April 2016*). The Lower Schmitz mineralisation is confined within a pronounced "channel-like" zone, approximately 100m wide. A simplified geological cross section of the Lower Schmitz channel feature is shown in Figure 9. **Mineralisation, averaging 5-6% Ni, is consistent throughout the channel zone**, however, there is evidence to indicate that a steep west dipping fault has displaced mineralisation at depth to the NNE or SSW. To confirm this displacement, further exploration is required.

The Lower Schmitz mineralisation remains one of the priority exploration targets at Lanfranchi. Many of the other mineralised komatiite channels at Lanfranchi remain open at depth, including the Lanfranchi, Deacon, East Deacon and Schmitz channels.

Figure 9 – Lower Schmitz Channel Cross Section (153 175mN)



There were no exploration programs undertaken at Lanfranchi during the quarter. There is no plan to conduct exploration work at Lanfranchi during the remainder of FY2018.

The accommodation village has been leased out to Tawana Resources NL for an initial period of six months from 30 June 2017, with the option to extend for a further six months from December 2017. This arrangement continues to provide income for the Project during the ongoing care and maintenance period.

PGM – Thunder Bay North Project

The Thunder Bay North (TBN) Project is located near Thunder Bay in northwest Ontario, Canada. The advanced exploration project claims cover an aggregate area of 40,816 hectares. The TBN Project Resource contains **10.4Mt at 1.13g/t Pt and 1.07g/t Pd for ~0.4Moz Pt and ~0.4Moz Pd** (*refer to the Company's ASX announcement of 30 September 2016*) with exploration potential at depth and along strike.

In 2015, Rio Tinto Exploration Canada Inc. (RTEC) commenced a farm-in whereby RTEC can earn a 70% interest in the TBN Project by sole funding C$20 million in expenditure over five years, with a minimum spend of C$5 million. In January 2017, RTEC confirmed that it had achieved the minimum spend of C$5 million on the Project.

Panoramic and RTEC are continuing discussions on the results to date and the future plans and strategy for the Project.

PGM – Panton Project

Panton is located 60km south of the Savannah Nickel Project in the East Kimberley region of Western Australia. **Panton is a significant PGM Resource containing ~1.0Moz Pt at 2.2g/t and ~1.1Moz Pd at 2.4g/t** (*refer to the Company's ASX Announcement of 30 September 2015*) with exploration potential at depth and along strike.

Panoramic considers the Panton Project to be a quality PGM development asset which fits within the Company's commodity diversification and growth strategy and is a key part of its Kimberley Hub concept.

The Company is continuing to sponsor research being undertaken by Curtin University on alternative PGM leaching methods applicable to Panton ore.

Gold – 51% investment in Horizon Gold/Gum Creek Project

The Company has a 51% indirect interest in the Gum Creek Project through its majority equity interest in Horizon Gold Limited (ASX Code: HRN). The market value of this investment in Horizon at 30 September 2017 was approximately $10.9 million.

Exploration activities are ongoing at Gum Creek (*refer to Horizon's September 2017 quarterly report for further details*). Under the October 2016 Management Agreement, Panoramic staff are providing management services to Horizon on a cost recovery basis.

Group Mineral Resource and Reserve Tables (30 June 2017)

On 29 September 2017, the Company released the Group's Mineral Resource and Reserve Tables as at 30 June 2017 (*refer to the Company's ASX announcement of 29 September 2017 for further details*).

Nickel in Mineral Resources **increased by 57,300 tonnes** (+22%) between FY2016 and FY2017 due to additions at Savannah North (*refer to the Company's ASX announcement of 24 August 2016*), partly offset by the removal of Copernicus Resources. The Savannah Project now contains 218,300t contained nickel, making the project one of the largest medium-grade nickel sulphide deposits in Australia. There were no other changes in nickel Mineral Resources during FY2017.

Nickel in Ore Reserves **increased by 94,500 tonnes** (+424%) between FY2016 and FY2017 due to the initial Ore Reserve for Savannah North being reported in February 2017 as part of the Savannah Feasibility Study (*refer to the Company's ASX announcement of 2 February 2017*). Based on the updated October 2017 Feasibility Study Update (*refer to the Company's ASX announcement of 27 October 2017*), the Ore Reserves at the Savannah Project are able to sustain a mine life of approximately eight years. There were no other changes in nickel Ore Reserves during FY2017.

The Gum Creek Gold Project's Mineral Resources of gold are now no longer included in the Group Mineral Resources Table due to the divestment of the Company's interest in the Project via the IPO of Horizon Gold Limited (ASX:HRN), which listed on the ASX in December 2016. Under the terms of the IPO, the Company retains a 51% ownership in Horizon, but holds no direct equity interest in Gum Creek.

Table 7 shows the aggregated Group Mineral Resource and Reserve Tables as at 30 June 2017 and for the previous Group Mineral Resource and Reserve Tables as at 30 June 2016.

Table 7: Group Mineral Resource and Reserve Tables (30 June 2017)

Category	30 June 2017	30 June 2016	% change y-o-y
Total Nickel Resources	313,600 tonnes	256,300 tonnes	+22%
Total Nickel Reserves	**116,800 tonnes**	22,300 tonnes	**+424%**
Total Copper Resources	99,100 tonnes	83,200 tonnes	+19%
Total Copper Reserves	**52,400 tonnes**	11,500 tonnes	**+355%**
Total Cobalt Resources	14,900 tonnes	10,400 tonnes	+43%
Total Cobalt Reserves	**7,600 tonnes**	900 tonnes	**+744%**
Total Gold Resources	*[divested via Horizon IPO]*	1.27 million ounces	n/a
Total Platinum Resources	1.39 million ounces	1.39 million ounces	No change
Total Palladium Resources	1.46 million ounces	1.46 million ounces	No change

Note: y-o-y = year on year

Further details on 2017 Group Resources and Reserves Tables, including the material information and assumptions, cross references to previous ASX announcements on disclosure of the 2012 JORC Compliance Tables and the Competent Persons Statements, are provided in the Company's ASX announcement of 29 September 2017 (Mineral Resources and Ore Reserves as at 30 June 2017).

Corporate

Cash

Group Cash at the end of the quarter totalled $7.5 million. The movement in the cash position included the following transactions:

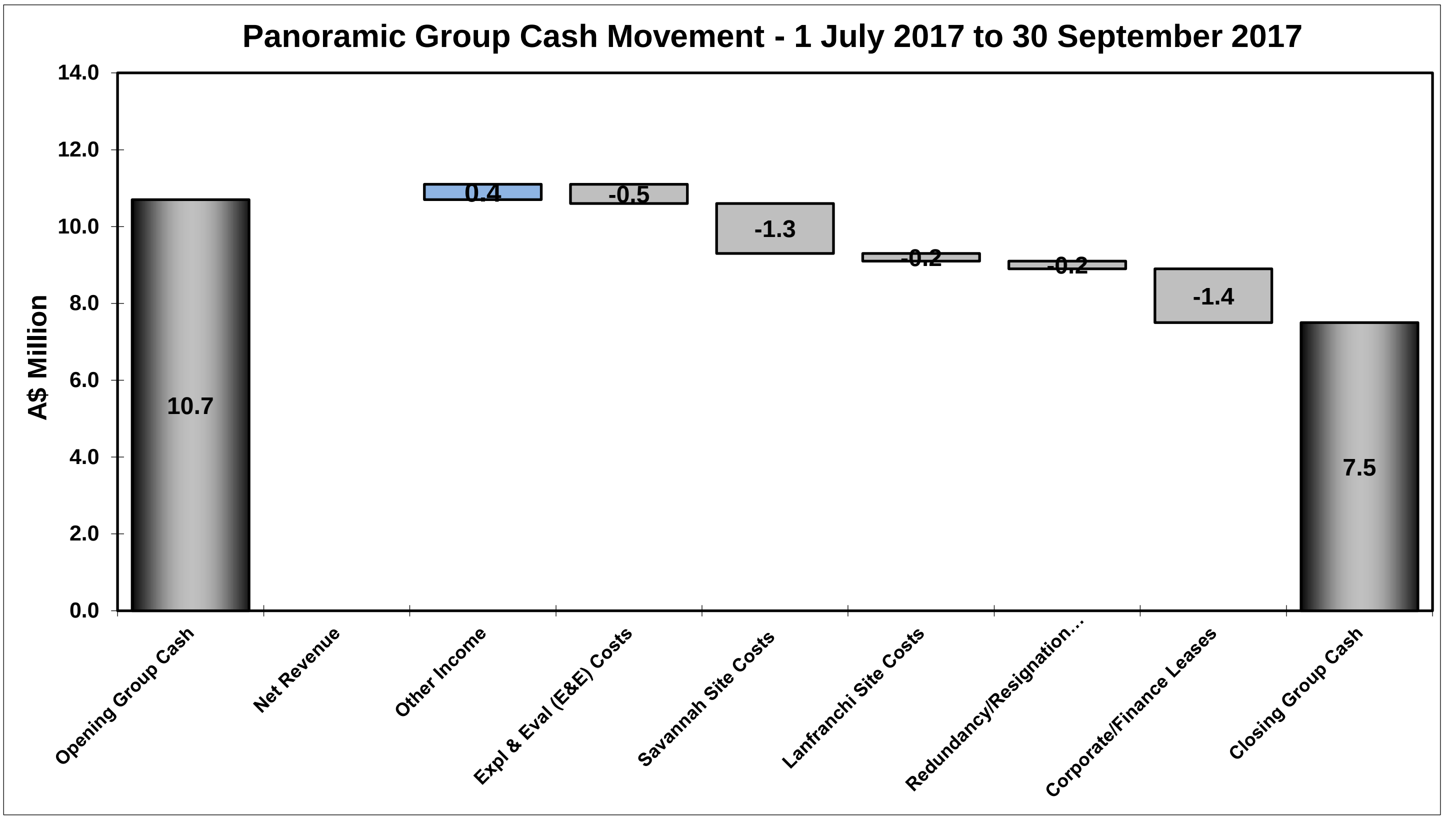
- $0.2 million income from leasing-out the Lanfranchi village;
- $0.2 million income from sub-leasing office space at the Perth office;
- $0.2 million on leave entitlement and redundancy costs;
- $0.5 million on exploration and evaluation studies on the Savannah project re-start; and
- $1.3 million on care and maintenance expenses at Savannah.

Aggregate movements in the Group Cash balance over the quarter are shown in Figure 10.

At 30 September 2017, $1.8 million was cash-backed against the drawn amount on the Company's performance bond facility.

Group finance leases for mobile equipment at 30 September 2017 totalled approximately $0.6 million.

Figure 10 – Panoramic Group Cash Movement (September 2017 Quarter)



Perth Office

Corporate overhead costs from the Perth Office were further reduced during the quarter, with an additional redundancy made in July 2017.

Office resources and corporate overheads are being shared with Horizon Gold Limited.

No New Information or Data

This release contains references to exploration results, and Mineral Resource and Ore Reserve estimates, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

PANORAMIC RESOURCES LTD

About the Company

Panoramic Resources Limited (**ASX code: PAN**) is a Western Australian mining company formed in 2001 for the purpose of developing the Savannah Nickel Project in the East Kimberley. Panoramic successfully commissioned the $65 million Savannah Project in late 2004 and then in 2005 purchased and restarted the Lanfranchi Nickel Project, near Kambalda. In FY2014, the Company produced a record 22,256t contained nickel and produced 19,301t contained nickel in FY2015. The Lanfranchi and Savannah Projects were placed on care and maintenance in November 2015 and May 2016 respectively.

Following the successful development of the nickel projects, the Company diversified its resource base to include platinum group metals (PGM) and gold. The PGM Division consists of the Panton Project, located 60km south of the Savannah Project and the Thunder Bay North Project in Northern Ontario, Canada, in which Rio Tinto is earning 70% by spending up to C$20 million over five years. Following the ASX listing of Horizon Gold Limited (ASX Code: HRN) in December 2016, the Company's interest in gold consists of an indirect investment in the Gum Creek Gold Project located near Wiluna through its 51% majority shareholding in Horizon.

Panoramic has been a consistent dividend payer and has paid out a total of $114.3 million in fully franked dividends between 2008 and 2016. At 30 September 2017, Panoramic had $7.5 million in cash and no bank debt.

The Company's vision is to broaden its exploration and production base, with the aim of becoming a major, diversified mining company in the S&P/ASX 100 Index. The growth path will include developing existing resources, discovering new ore bodies, acquiring additional projects and is being led by an experienced exploration-to-production team with a proven track record.

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Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the Countries and States in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.