

PANORAMIC

RESOURCES LTD



Vision, Commitment, Results

2 July 2009

ASX: PAN

YEAR IN REVIEW - RECORD NICKEL PRODUCTION OF 18,750 TONNES FOR 2008/09

Panoramic Resources Limited ("Panoramic") is pleased to announce that the Company has achieved record annual production from its operations of approximately **18,750t Ni contained** (preliminary, 100% basis) after a very solid June quarter. This is an excellent result and a credit to the site management and personnel. Despite the challenging financial market, Panoramic is well placed to achieve its 10 Year Plan with significant additional mine life, a strong balance sheet and a loyal and dedicated workforce. Detailed quarterly results will be included in the forthcoming June 2009 quarterly report. This announcement is provided to highlight achievements of the 2008/09 year.

2008/09 IN REVIEW

Group

- Record nickel production of **18,750t Ni contained** (preliminary, 100% basis) which is a 26% increase on 2007/08;
- Solid cashflow in the second half, with cash & receivables increasing to **~\$90 million** (preliminary) as at 30 June 2009;
- Hedge book **~\$44 million "in-the-money"** as at 30 June 2009;
- Significant cost reductions now flowing through at both sites following the implementation of the cost reduction programs;
- Significant **improvements in safety outcomes** across both operating sites;
- Group resources now exceed **260,000t Ni contained** and reserves now exceed **110,000t Ni contained**;
- Resource and reserve increases at both sites should result in significant increases in mine life at both operations;
- Maintained a dividend stream, interim 1 cent per share paid in March 2009 (final dividend to be determined).

Lanfranchi

- Moved to **100% ownership of Lanfranchi** with the purchase of Brilliant Mining's 25% interest;
- Successful commissioning of the new Deacon Ventilation System and new Deacon mine;
- Continued ramp up of production at Lanfranchi to over 400,000t ore mined;
- Deacon Ore Reserve increased by 29% to **63,100t Ni contained** (2.5Mt at 2.52% Ni);
- Total Lanfranchi resources increased to 8.1 Mt at 2.01% Ni for **163,200 Ni contained**;

Savannah

- Savannah Lower Zone maiden Resource of 3.40Mt at 1.48% Ni for **50,120t Ni contained** released;
- Total Savannah resources (Upper and Lower Zone combined) now exceed **98,500t Ni contained**;
- Increased average nickel grade mined at Savannah during the year;
- Successful development of the satellite Copernicus JV project, ready for exploitation at the right nickel price;

Exploration

- Three significant exploration joint ventures were formed;
 - **East Kimberley JV** with Thundelarra (nickel, copper & PGM focus)
 - **Bluebush JV** with Territory Uranium in the NT (copper/gold focus), and
 - **Norrland JV** in Sweden (nickel sulphide focus)

Note: all references to resource and reserve tonnes, except for the Deacon reserve, are before depletion of 2008/09 production.



GROUP SAFETY FOCUS

In 2008/09 we rolled out our new safety mission statement which is:

Vision Safety is a value not just a priority;
Commitment Safety improvement through leadership;
Results Safely home everyday.

It is pleasing to report that the refined safety mission statement (and day to day focus on safety) has been embraced by all employees. We have significantly strengthened our workplace safety culture resulting in improved safety outcomes. The health and safety of our workforce is paramount to our business and is our No.1 core value.

PRELIMINARY 2008/09 PRODUCTION

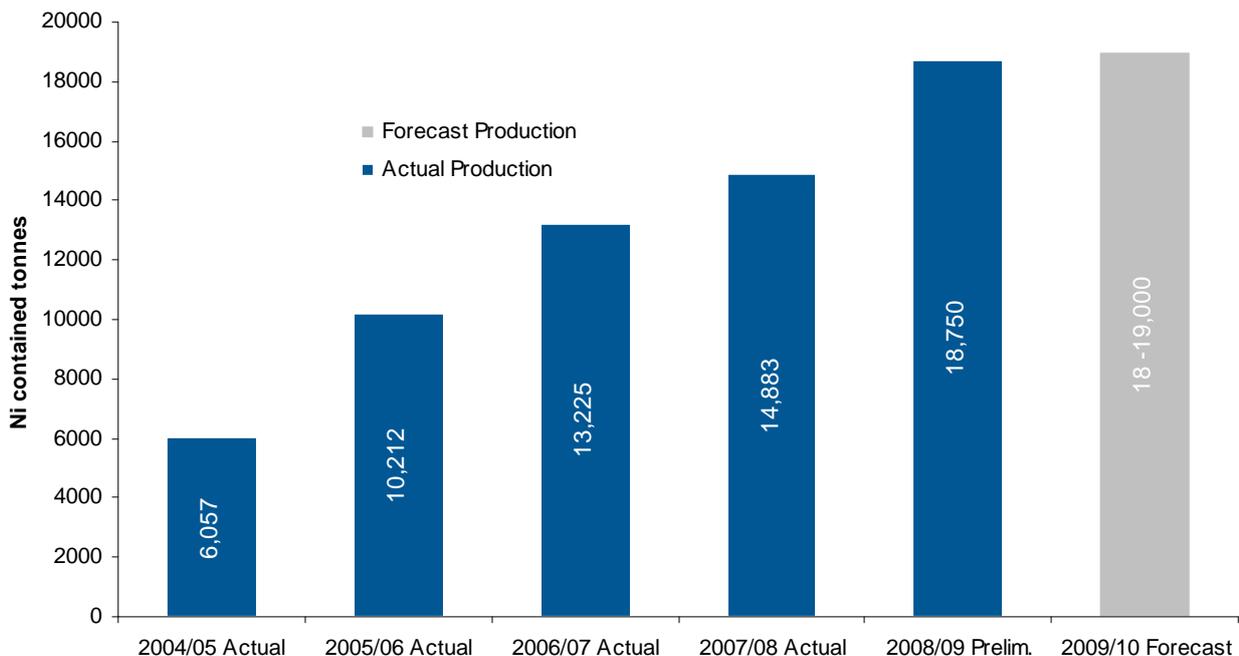
We have again achieved record metal production year on year with 18,750t Ni contained (preliminary, 100% basis) produced in 2008/09, a 26% increase on 2007/08. This is an outstanding result given:

- Savannah reduced its workforce and switched to campaign milling as part of the cost reduction program;
- Copernicus was placed on care and maintenance in November 2008 before producing any Ni in concentrate; and
- Lanfranchi had to commission the new Deacon mine and re-optimize its mining schedule in early 2009 (reducing its jumbo fleet from four to three and reducing personnel) as part of the cost reduction program.

THE YEAR AHEAD

Our business is in good shape as we head into our ninth year and our preliminary production forecast for our combined operations for 2009/10 is again expected to be in range of 18,000-19,000t Ni contained plus copper and cobalt credits. Our impressive track record of production growth since we commenced operations is shown in the graph below.

Group Production Actual & Forecast



1. Savannah production is based on nickel in concentrate (PAN owns 100% of Savannah)
2. Lanfranchi production for 2008/09 is based on nickel in ore (PAN owning 75% of Lanfranchi to 31 Oct 2008, and thereafter 100% following the purchase of the remaining 25% of the Project). Lanfranchi production forecast in 2009/10 reflects the 100% ownership.



In 2009/10, exploration activities will focus on adding to the resource and reserve base by:

- Further drilling at Savannah to test the strong EM response below the 900m level;
- Drill testing the anomalies on the southern Savannah tenements and more drilling around the Savannah Intrusion;
- Drilling down plunge at Deacon, Helmut South, Schmitz, and Lanfranchi;
- Continuing to drill test the northern dome structure at Lanfranchi for massive sulphide mineralisation;
- Drill testing targets on our Cowan tenements; and
- Exploration work on the East Kimberley JV, Norrland JV and Bluebush JV.

10 YEAR PLAN

The Company has a structured 10 year plan:

- Improve safety outcomes to better than industry average;
- Increase production to an annual rate of at least 20,000t Ni contained;
- Grow the existing resource and reserve base to extend the mine life of our operations;
- Acquire additional assets to become a diversified mining house, and become an ASX Top 100 Company;
- Maintain dividend payments.

BUSINESS DEVELOPMENT

Panoramic is continuing to assess opportunities to grow the Company through acquisitions of projects and/or companies that would be complementary to the existing business, and utilise the Company's commodity expertise. Our primary focus is nickel, copper, gold and PGMs in Australia. Our preference is to buy assets at pre-feasibility stage through to operating mines. We will also assess opportunities in other base metals and selected bulk commodities. While Australia remains our preferred location we would consider investing in selected overseas countries which have mining friendly regulatory regimes and established infrastructure.

PETER HAROLD
Managing Director

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 the Lanfranchi Project (100% owned) 42km south of Kambalda. In FY2008 our operations produced 14,883t Ni contained and the preliminary production figures for FY2009 is 18,750t Ni contained. The Company has an internal target of group production of around 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 mine life. Panoramic is continuing to assess opportunities to grow the Company through acquisitions of projects and/or companies that would be complementary to the existing business, and reflect the Company's commodity expertise and risk profile.

For further information contact:

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The information in this release that relates to Mineral Resources is based on information compiled or reviewed by John Hicks. Mr Hicks is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and 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 each person 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 release of the matters based on the information in the form and context in which it appears. Information in this release relating to Ore Reserves has been completed by or reviewed by Mr Jon Bayley, Mr Lilong Chen and Mr Rob Thorburn who are Members of The Australasian Institute of Mining and Metallurgy (MAusIMM) and full-time employee of Panoramic Resources Limited. All have 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. They consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.