



*Vision, Commitment, Results*

2 March 2010

ASX: PAN

NEWS RELEASE

**SIGNIFICANT RESERVE UPGRADE AT SAVANNAH**

*Highlights*

- Maiden Savannah Project **Lower Zone Reserve** of 43,200t Ni, 23,500t Cu, 2,160t Co contained
- Lower Zone Reserve extends the **mine life beyond 2018**
- **Strong EM anomaly** recorded below the current resource for another 350m
- **Depth extensions remain open** below the Lower Zone Resource
- Concentrate offtake secured for the next 10 years with Jinchuan

**SAVANNAH – MAIDEN LOWER ZONE RESERVE**

Panoramic Resources Limited (“Panoramic”) is pleased to announce the maiden Lower Zone Reserve containing 43,200t Ni.

Table 1: Savannah - Lower Zone - Mineral Reserve (using 1.05% Ni eq cut-off)

Category	Tonnes	Ni %	Cu %	Co %	Ni (t)	Cu (t)	Co (t)
Probable	3,670,000	1.17	0.64	0.06	43,200	23,500	2,160
<b>Total</b>	<b>3,670,000</b>	<b>1.17</b>	<b>0.64</b>	<b>0.06</b>	<b>43,200</b>	<b>23,500</b>	<b>2,160</b>

Notes:

1. Panoramic undertook mine planning, scheduling, costing and economic evaluation to calculate the Reserve
2. Production from this zone is subject to various statutory approvals.

*Significant Points*

- **Lower Reserve is between 500m and 900m below surface** – The new Lower Zone Reserve incorporates mineralisation below the 500 Fault down to approximately 900m below surface where the Savannah Intrusion has been off-set by a fault along a sub-horizontal mafic dyke (Figure 1).
- **Mine Life extended past 2018** – The Savannah Lower Reserve should extend mine life beyond 2018 (subject to favourable commodity prices and all necessary statutory approvals) based on an Upper Zone Reserve at 30 June 2009 of 27,200t Ni contained, less ore production of 336,200t at 1.32%Ni for 4,440t Ni contained to 30 December 2009 (Appendix 1), plus the Lower Zone Reserve of 43,200t Ni contained.
- **Strong EM conductor for 350m below Lower Zone Reserve** - During the Lower Zone Resource and Reserve diamond drilling program, several drill holes were extended down into the vicinity of the off-set block below the mafic dyke (Figure 1). The deepest of these holes (KUD810) was terminated 400m below the mafic dyke. Immediately below the dyke for a distance of 350m, hole KUD810 skimmed in and out of the Savannah Intrusion intersecting several zones of Savannah Style massive sulphide mineralisation. Over the same interval, KUD810 returned a strong, continuous Electro-Magnetic (EM) anomaly incorporating both on-hole and off-hole responses. The character and magnitude of the KUD810 EM response is equal to the best of the EM anomalies recorded in the vicinity of the Savannah deposit to date.
- **Concentrate offtake secured with Jinchuan** - Offtake has been extended a further 10 years, with Jinchuan covering expected production from the remaining Upper Zone Reserve and the new Lower Zone Reserve.



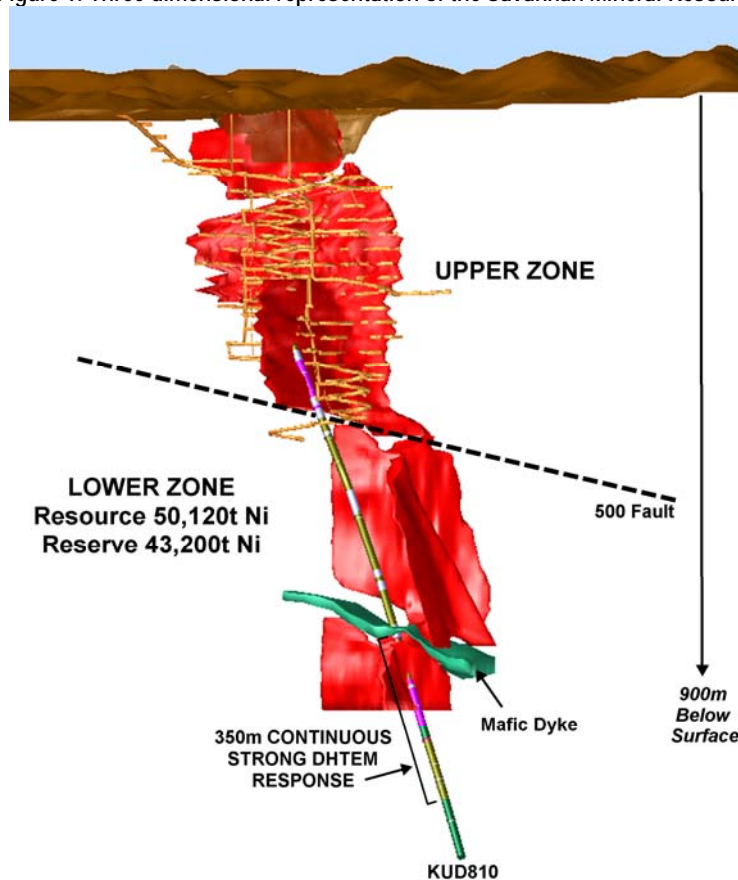
- Resource to Reserve - Excellent resource to reserve conversion of 86% for the Lower Zone orebody.

## FUTURE EXPLORATION ACTIVITIES PLANNED FOR THE SAVANNAH OREBODY

### *Exploration at Savannah*

Additional drilling below the Lower Zone Resource is planned to test the strong EM response from KUD810 which indicates that the Savannah mineralisation could extend at least another 350-400 metres. In addition, in mine drill programs are planned to explore previously untested areas of the northern and eastern contact of the Savannah Intrusion both above and below the 500 Fault.

Figure 1: Three dimensional representation of the Savannah Mineral Resource



## CREATING SHAREHOLDER VALUE THROUGH SOLID EARNINGS AND GROWTH STRATEGY

Panoramic recently reported a net profit after tax of \$23.1 million for the first half of FY2010. The Company also declared a 5 cent, fully franked, interim dividend and a special, fully franked, dividend of 5 cents, reflecting the solid half year profit performance and strong cash flows.

Panoramic's medium to long term strategy is to grow and diversify our portfolio of projects in nickel and other selected commodities (specifically copper, gold and PGMs, lead, zinc & selected bulk commodities). In this regard, Panoramc is actively assessing potentially company transforming acquisition opportunities that are complementary to Panoramc's existing businesses and capabilities consistent with the objective of becoming a large diversified Australian based mining house.



### About the Company

Panoramic Resources Limited (ABN:47 095 792 288) is an established Western Australian based nickel sulphide producer with two 100% owned underground mines, the Savannah Project in the Kimberley, and the Lanfranchi Project, 42kms south of Kambalda. In FY2009 our operations produced a record 18,752t Ni contained. The Company is forecasting to produce between 18,000 to 19,000 tonnes Ni contained in FY2010. Panoramic has significant exploration portfolios 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 exploration, the acquisition of projects and/or companies that would be complementary to its existing business, and which can benefit from the Company's commodity expertise, management, financial and technical capabilities and risk profile.

*The information in this release that relates to Mineral Resources is based on information compiled by John Hicks. Mr Hicks is a full-time employee of Panoramic Resources Limited. Mr Hicks is a member of The Australasian Institute of Mining and Metallurgy (AusIMM) and 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 release of the matters based on his 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 Lilong Chen who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Chen is a full-time employee of Panoramic Resources Limited. Mr Chen 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 Chen consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.*

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### Appendix 1

**Table 2: Savannah – Upper Zone - Mineral Reserve at 30 June 2009 (using 0.7% Ni cut-off)**

Category	Tonnes	Ni %	Cu %	Co %	Ni (t)	Cu (t)	Co (t)
Probable	2,161,000	1.26	0.61	0.07	27,200	13,200	1,400
Production 1 July 09 - 30 Dec 09	336,200	1.32	0.67	0.06	4,440	2,250	200