

vision
commitment
results



7 July 2010

Solid Nickel Production

Summary

Panoramic Resources Limited (“**Panoramic**”) is pleased to announce that the Company has achieved annual production for FY2010 from its operations of approximately **17,600t Ni contained (preliminary and unaudited)**. This is a good result and a credit to all site management, personnel and contractors. With a sound production base, growing resources and reserves, strong balance sheet, a prospective exploration portfolio and a dedicated workforce, Panoramic is well placed to achieve its 10 Year Plan which is to:

- improve safety outcomes to better than industry average;
- optimise annual contained metal production rates;
- grow the existing resource and reserve base to extend the mine life of our operations;
- maintain dividend payments; and
- acquire additional assets to become a diversified mining house and an ASX Top 100 Company.

Detailed quarterly results will be provided in the forthcoming June 2010 quarterly report. This announcement is provided to highlight achievements of the 2009/10 financial year.

2009/10 year in review

Group

- Continuing improvements in safety outcomes across both operating sites
- Preliminary nickel production of approximately **17,600t Ni contained**

- Strong cashflow in the second half, with cash and receivables increasing to approximately **\$160 million** (preliminary and unaudited) as at 30 June 2010
- Panoramic is on track to report a solid after tax profit for 2009/10
- Group resources of 255,600t Ni contained and reserves of 144,100t Ni contained, before mine depletion (see Appendix 1 & 2)
- New 10 year offtake agreement signed with Jinchuan/Sino for Savannah concentrates
- Dividend stream maintained with a 5 cent per share interim and a 5 cent per share special dividend paid in March 2010 (final dividend yet to be determined)

Lanfranchi

- Mining at Deacon ramped up during the year to full production of 40-50,000t per month
- Over 400,000t ore mined from Lanfranchi
- Contained metal production of **10,300t Ni** (preliminary)
- Record nickel production at Lanfranchi in June of 1,197t contained Ni

Savannah

- Approximately 670,000t ore mined for the year
- Contained metal production of **7,300t Ni**, 4,020t Cu and 380t Co (preliminary)
- Savannah Lower Zone maiden Reserve reported



Exploration

In 2009/10 we spent close to \$8 million on near mine and greenfields exploration. Significant progress was made during the year as follows:

- Savannah – strong EM conductor identified below the 900 level;
- Lanfranchi – more massive sulphides intersected on the Northern Dome;
- Cowan – a number of EM targets drilled;
- Norrland JV in Sweden (nickel sulphide focus) – Ten drill targets identified, awaiting availability of a suitable rig for drill testing;
- East Kimberley JV with Thundelarra (nickel, copper & PGM focus) – major airborne gravity survey completed; and
- Bluebush JV with Territory Uranium in the NT (copper/gold focus) – three holes drilled and the two remaining holes to be drilled shortly.

Safety

The efforts of all employees and contractors across the business to improve our safety performance are gratefully acknowledged. This effort has resulted in fewer injuries, lower injury frequency rates, earlier return to work and better employee outcomes.

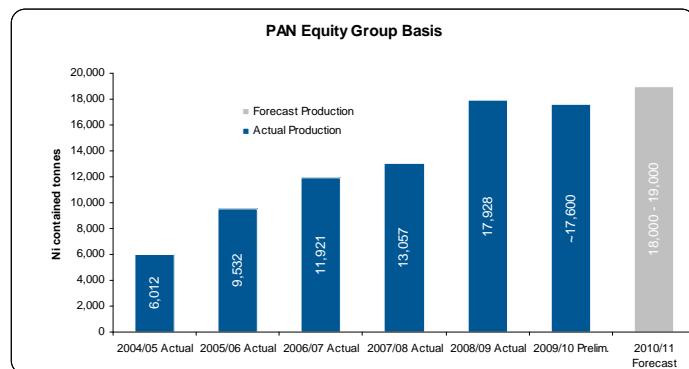
We have a stronger safety culture, improved emergency response capabilities, and have invested heavily in training and development of our people. We have continued to utilise specialist consultants to assist us in implementing changes where necessary, and to ensure that these changes are embedded in our culture and are sustaining. We have concentrated on our safety culture, team functioning and leadership, safety management system, organisational learning and communication as the four key areas to improve. Accordingly, we have now developed a three year improvement plan targeting these key areas.

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. Our preference is to buy assets at pre-feasibility stage through to operating mines. We are also interested in opportunities in other base metals and selected bulk commodities. While Australia remains our preferred location we are actively looking in selected overseas countries which have mining friendly regulatory regimes and established infrastructure.

Preliminary 2009/10 production

We achieved annual metal production of approximately 17,600t Ni contained (preliminary) for 2009/10.



The year ahead

Our business is in good shape as we head into our tenth year. Our preliminary production forecast for our combined operations for 2010/11 is in range of 18,000-19,000t Ni contained plus copper and cobalt credits.

In 2010/11, exploration activities will focus on adding to the resource and reserve base by:

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

With over \$160 million in cash and receivables we are well placed to fund exploration activities (preliminary budget \$12 million) and to acquire quality assets that meet our investment criteria.

10 year plan

The Company has a structured 10 year plan:

- Improve safety outcomes to better than industry average;
- Optimise annual contained metal production rates;
- Grow the existing resource and reserve base to extend the mine life of our operations;
- Maintain dividend payments; and
- Acquire additional assets to become a diversified mining house and an ASX Top 100 Company.



Appendix 1 - Resources

Resource	Equity	Metal	Date of Resource	Measured		Indicated		Inferred		Total		Metal Tonnes
				Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	
Savannah Project												
Savannah	100%	Nickel	Jul-09	1,364,000	1.71	4,619,000	1.50	66,000	0.65	6,049,000	1.53	92,800
		Copper			0.83		0.81		0.25		0.81	48,800
		Cobalt			0.09		0.08		0.04		0.08	4,800
Copernicus	60%	Nickel	Jul-09	389,000	1.08	400,000	1.38	23,000	1.01	812,000	1.23	10,000
		Copper			0.66		0.99		0.70		0.82	6,700
		Cobalt			0.04		0.05		0.03		0.04	400
Lanfranchi Project												
Cruikshank			Jul-09	-	-	-	-	2,165,000	1.23	2,165,000	1.23	26,600
Deacon			Jul-09	-	-	2,285,000	2.95	16,000	2.75	2,301,000	2.95	67,900
Gigantus			Jul-09	-	-	-	-	999,000	1.34	999,000	1.34	13,400
Helmut South			Jul-09	165,000	2.83	-	-	-	-	165,000	2.83	4,700
John			Jul-09	-	-	-	-	606,000	1.08	606,000	1.08	6,500
Lanfranchi			Jul-09	6,000	4.20	67,000	5.80	11,000	5.24	83,000	5.61	4,700
Martin			Jul-09	-	-	44,000	3.88	6,000	3.50	50,000	3.83	1,900
McComish			Jul-09	-	-	-	-	1,012,000	1.47	1,012,000	1.47	14,900
Schmitz			Jul-09	-	-	75,000	4.55	11,000	3.58	86,000	4.43	3,800
Winner			Jul-09	-	-	29,000	5.28	-	-	29,000	5.28	1,600
Remnants			Jul-09	-	-	253,000	2.69	203,000	2.03	456,000	2.40	10,900
Total (Equity)		Nickel		1,769,000	1.74	7,612,000	2.06	5,108,000	1.33	14,489,000	1.76	255,600
		Copper		1,598,000	0.81	4,859,000	0.82	80,000	0.33	6,537,000	0.81	52,800
		Cobalt		1,598,000	0.08	4,859,000	0.07	80,000	0.04	6,537,000	0.08	5,000

Appendix 2 - Reserves

Reserve	Equity	Metal	Date of Reserve	Proven		Probable		Total		Metal Tonnes
				Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	
Savannah Project										
Upper Zone	100%	Nickel	Jul-09	-	-	2,161,000	1.26	2,161,000	1.26	27,200
		Copper					0.61		0.61	13,200
		Cobalt					0.06		0.06	1,400
Lower Zone	100%	Nickel	Mar-10	-	-	3,694,000	1.17	3,694,000	1.17	43,200
		Copper					0.64		0.64	23,500
		Cobalt					0.06		0.06	2,200
Copernicus O/Pt	60%	Nickel	Jul-09	-	-	365,000	1.03	365,000	1.03	3,800
		Copper					0.63		0.63	2,300
		Cobalt					0.04		0.04	100
Lanfranchi Project										
Deacon			Jul-09	-	-	2,443,000	2.52	2,443,000	2.52	61,700
Helmut South			Jul-09	153,000	2.15	-	-	153,000	2.15	3,300
Lanfranchi			Jul-09	-	-	119,000	2.91	119,000	2.91	3,500
Schmitz			Jul-09	-	-	87,000	2.66	87,000	2.66	2,300
Winner			Jul-09	-	-	17,000	3.95	17,000	3.95	700
Total (Equity)		Nickel		153,000	2.15	8,741,000	1.61	8,894,000	1.62	144,100
		Copper		-	-	6,074,000	0.63	6,074,000	0.63	38,100
		Cobalt		-	-	6,074,000	0.06	6,074,000	0.06	3,700

Notes

- Savannah project resource cutoff grades at 0.50% Ni.
- Lanfranchi project resource cutoff grades at 1.00% Ni.
- All resources are inclusive of reserves.
- Savannah Upper zone reserve cutoff grade is 0.70% Ni
- Savannah Upper zone reserve cutoff grade is 1.05% Ni eq
- Copernicus reserve cutoff grade is 0.50% Ni
- Lanfranchi project cutoff grade is 1.00% Ni except the Deacon Longhole stopes which are 0.80% Ni.



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 FY2009 our operations produced 17,928t Ni contained (on an equity basis) and the preliminary equity production for FY2010 is 17,600t Ni contained. 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.

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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.