

vision
commitment
results



5 September 2011

ASX: PAN

Franking Credits

The Company wishes to advise that the franking account balance in Note 30 on page 89 of the 2011 Panoramic Consolidated Financial Statements was understated. The actual value of franking credits on hand at 30 June 2011 was **\$26,510,000** and not \$8,665,000 as previously shown.

An amended page 89 to the 2011 Financial Statements is attached to this announcement.

About the Company

Panoramic Resources Limited (ASX Code **PAN**, ABN 47 095 792 288) is an established Western Australian mining company operating two 100% owned underground nickel sulphide mines, the Savannah Project in the Kimberley, and the Lanfranchi Project 42km south of Kambalda. On a Group basis, Panoramic produced 17,027t nickel contained in FY2011 and is forecasting to produce between 17,500 to 18,500t nickel in FY2012. In February 2011, the Company acquired the Gidgee Gold Project, located 640kms north-east of Perth. Exploration and evaluation studies have commenced at Gidgee, with the aim of expanding the existing 310,000oz gold resource. The Panoramic Group has strong cash reserves, no bank debt and is continually looking to grow its existing business through internal exploration success, outside acquisitions and/or joint ventures.

Consolidated	
2011	2010
\$'000	\$'000

(b) Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of 2 cents per fully paid ordinary share, (2010: 6.5 cents) fully franked based on tax paid at 30%. At 30 June 2011, the aggregate amount of the proposed dividend not recognised as a liability at year end, is

	4,141	13,363
--	--------------	--------

(c) Franked dividends

The franked portions of the final dividends recommended after 30 June 2011 will be franked out of existing franking credits.

Consolidated	
2011	2010
\$'000	\$'000

Franking account balance as at the end of the financial year at 30% (2010: 30%)	26,510	14,940
Franking credits that will arise from payment of income tax payable as at end of the financial year	(967)	18,496
Impact on franking account of dividends proposed or declared before the financial report was authorised for issue but not recognised as distribution to equity holders during the period	(1,775)	(5,718)
	23,768	27,718

The tax rate at which paid dividends have been franked is 30% (2010: 30%).

Dividends proposed will be franked at the rate of 30% (2010: 30%).