

3 April 2012

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By eLodgement

Company Announcements Platform
ASX Limited
Level 8, Exchange Plaza
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Dear Sir/Madam

**Panoramic Resources Limited (PAN) - off-market takeover bid for Magma Metals Limited (MMW):
Second Supplementary Bidder's Statement**

We act for Panoramic Resources Limited (ABN 47 095 792 288) ("**Panoramic**") in relation to its off-market takeover bid for all the ordinary shares in Magma Metals Limited (ABN 72 114 581 047) ("**Magma**").

We enclose, in accordance with section 647(3)(b) of the Corporations Act 2001 (Cth), a supplementary bidder's statement dated 3 April 2012.

A copy of the enclosed document was lodged with the Australian Securities & Investments Commission, and sent to Magma, earlier today.

Yours faithfully



Encl 1

SECOND SUPPLEMENTARY BIDDER'S STATEMENT

in relation to the takeover bid by
Panoramic Resources Limited (ABN 47 095 792 288)
for all of the ordinary shares in
Magma Metals Limited (ABN 72 114 581 047)

1. Introduction

This document is the second supplementary bidder's statement dated 3 April 2012 (**Second Supplementary Bidder's Statement**) to the bidder's statement dated 8 February 2012 (**Original Bidder's Statement**) issued by Panoramic Resources Limited (ABN 47 095 792 288) (**Panoramic**) in relation to its off-market takeover bid for all the ordinary shares in Magma Metals Limited (ABN 72 114 581 047) (**Magma**).

This Second Supplementary Bidder's Statement supplements, and should be read together with, Panoramic's Original Bidder's Statement, its first supplementary bidder's statement dated 23 February 2012 and the replacement bidder's statement dated 23 February 2012 (collectively, the **Bidder's Statement**).

Unless the context requires otherwise, terms defined in the Bidder's Statement have the same meaning in this Second Supplementary Bidder's Statement.

2. Institutional Acceptance Facility

2.1 General

Panoramic has established an institutional acceptance facility open to persons identified by Panoramic in consultation with Computershare Investor Services Pty Limited (**Computershare**) as "professional investors" (as defined in section 9 of the Corporations Act) that hold or beneficially own at least 500,000 Magma Shares (**Eligible Shareholders**) in order to facilitate receipt of acceptances of the Offer (**Facility**). Magma Shareholders who are not Eligible Shareholders cannot participate in the Facility.

Panoramic recognises that some of Magma Shareholders may be unable to accept the Offer, for example, by reason of their investment mandates, until the Offer becomes or is declared unconditional. The Facility has therefore been established to provide Eligible Shareholders with the flexibility to register their support for the Offer and their intention to accept the Offer before the Offer becomes unconditional.

The acceptance facility collection agent for the Facility is Computershare.

2.2 Operation of the Facility

In summary, the Facility will operate in the following way:

- (a) An Eligible Shareholder who wishes to participate in the Facility must provide to Computershare duly completed and executed documentation appointing Computershare as its acceptance facility collection agent, together with a signed Acceptance Form and/or direction to its custodian (**Custodian Direction**) to accept the Offer (together, the **Acceptance Instructions**). Computershare will hold the Acceptance Instructions as collection agent and will not acquire a relevant interest in any of the Magma Shares the subject of the Acceptance Instructions.
- (b) Computershare must cause the Offer to be accepted on behalf of the relevant Eligible Shareholder by delivering, as applicable:
 - (i) any Acceptance Forms in accordance with the instructions on the relevant Acceptance Forms; and/or
 - (ii) any Custodian Directions to the relevant custodian,as soon as practicable after Panoramic confirms to Computershare (**Confirmation Notice**) that:
 - (i) Panoramic has declared the Offer free from all Conditions; or
 - (ii) Panoramic will declare the Offer free from all Conditions after all the delivered Acceptance Instructions are validly processed or implemented (as appropriate).
- (c) Panoramic reserves the right to declare the Offer free from all Conditions and deliver the Confirmation Notice to Computershare at any time before the end of the Offer Period (subject to the Corporations Act) irrespective of the number of acceptances held by Panoramic or the number of Acceptance Instructions held by Computershare.
- (d) Eligible Shareholders retain all rights and control over their Magma Shares and will be able to withdraw their Acceptance Instructions at any time prior to Computershare receiving the Confirmation Notice from Panoramic.

2.3 Disclosure of Acceptance Instructions

Before 8.30am (Sydney Time) on each Business Day (or at any time upon request by Panoramic), Computershare will inform Panoramic of the number of Magma Shares in respect of which Acceptance Instructions have been received as at 7.30pm (Sydney Time) on the previous Business Day, with the expectation that Panoramic will release this information to ASX in conjunction with its substantial holding notices in response to acceptance to the Offer received.

2.4 ASIC Relief

Panoramic proposes, if needed, to apply to ASIC for a modification of section 624(2) of the Corporations Act such that the Magma Shares the subject of Acceptance Instructions are counted towards Panoramic's voting power in Magma for the purposes of this sub-section. If granted, the modification has the effect that the Offer Period will be automatically extended if within the last 7 days of the Offer Period the aggregate number of Magma Shares the subject of the Facility together with the number of Magma Shares in which Panoramic or an associate exceeds 50% of the total number of Magma Shares then on issue. The Offer Period would be extended so that it ends 14 days after that event.

2.5 Consent

Computershare has given and has not, at the date of this Second Supplementary Bidder's Statement, withdrawn its written consent to being named in this Second Supplementary Bidder's Statement.

3. Broker Handling Fees

3.1 General

Panoramic will pay handling fees to ASX stockbrokers in respect of valid acceptances received from Retail Magma Shareholders, on the terms set out below.

Subject to the terms below, Panoramic will pay a handling fee (**Handling Fee**) to participating ASX stockbrokers (**Brokers**) in respect of valid acceptances received from Retail Magma Shareholders in connection with the Offer (**Acceptances**), where such Acceptances are from clients of the Broker and were procured by the Broker.

For these purposes, a **Retail Magma Shareholder** is a Magma Shareholder who is not a Broker or an associate of a Broker and who is, as at the date of the Acceptance, recorded on the register of Magma Shareholders (or who has a beneficial interest in Magma Shares through a registered Magma Shareholder) and holds fewer than 500,000 Magma Shares (determined at the discretion of Panoramic).

3.2 Handling Fee

The Handling Fee payable in respect of an Acceptance will be 0.50% of the consideration payable by Panoramic under the Offer as a result of that Acceptance, calculated based on the volume weighted average price of Panoramic shares over the 5 trading day period prior to the end of the Offer Period, subject to:

- (a) there will be no minimum Handling Fee payable in respect of any Acceptance; and
- (b) the maximum Handling Fee payable in respect of any Acceptance being \$500.

The Handling Fee will not be increased.

The Handling Fee will only apply to Acceptances received by Panoramic after the date of this Second Supplementary Bidder's Statement and before the current end of the Offer Period, being 7.00pm (Sydney Time) on 19 April 2012. If the Offer Period is extended and Panoramic decides to extend the Handling Fee to the Acceptances received during the extended period, it will announce this in a notice released to ASX on or before 19 April 2012. Panoramic reserves the right not to extend the Handling Fee to any such extension of the Offer Period.

The Handling Fee is payable to Brokers only, not Magma Shareholders, and will not be paid in respect of the Magma Shares held by a Broker or an associate of the Broker on its own account.

The Handling Fee will be payable to any Broker who submits to Computershare:

- (a) a valid and duly completed claim form (**Claim Form**) which sets out:
 - (i) the Broker's Participant Identification Number; and
 - (ii) a representation that neither the Broker nor its associate is the accepting Magma Shareholder and that the fee will not be passed on or otherwise shared directly or indirectly with the accepting Magma Shareholder; and
- (bi) a list of Acceptances (**Acceptance List**) which contains:
 - (i) the registered name of each Magma Shareholder to which the Claim Form relates;
 - (ii) the Holder Identification Number or Shareholder Reference Number for each Magma Shareholder to which the Claim Form relates; and
 - (iii) the number of Magma Shares in respect of which each such Magma Shareholder has accepted the Offer and the date of the relevant Acceptance; and
- (c) if the Handling Fee is claimed in respect of an Acceptance for an Issuer Sponsored Holding, a copy of the Acceptance Form,

such that they are received by Computershare in the format described below by 5.00pm (Sydney Time) on the day which is five Business Days after the end of the Offer Period; and thereafter provides satisfactory evidence reasonably requested by Computershare that any such Acceptances meet the requirements for the Handling Fee.

No Handling Fee will be paid in respect of any Acceptance for which more than one Broker tenders a Claim Form. Each Broker firm should submit only one Claim Form, which covers all Acceptances in respect of which the Broker firm (including its employee brokers) is claiming the Handling Fee.

Claim Forms must be requested by email from Computershare (brokerhandlingfees@computershare.com.au).

The Claim Form and the Acceptance List must be submitted to Computershare in hard copy format. The Acceptance List must also be emailed in Microsoft® Excel® format to the Computershare email address below.

Claim Forms and Acceptance Lists must be forwarded to:

Computershare Investor Services Pty Limited
Magma Metals Limited Takeover
Private and Confidential Attention: Stephen Dear
452 Johnston Street
ABBOTSFORD VIC 3067

and the Acceptance List by email:

brokerhandlingfees@computershare.com.au.

Where a Magma Shareholder on the CHESS subregister directly requests Panoramic, and not the relevant Broker, to initiate acceptance of the Offer on their behalf, that Broker will not be entitled to receive the Handling Fee. No Handling Fee is payable in respect of an Acceptance where an Acceptance Form has been sent to Computershare directly by the Magma Shareholder or through another agent. No Handling Fees are payable in respect of Acceptances that are not treated as valid by Panoramic or are validly withdrawn (if withdrawal rights exist under the Corporations Act). Panoramic reserves the right to aggregate any Acceptances in determining the Handling Fees payable to any Broker if Panoramic reasonably believes that a party has structured holdings of Magma Shares to take advantage of the Handling Fee. Panoramic may in its discretion determine any disputes regarding whether a Handling Fee is payable.

Subject to the terms set out above, payment of the Handling Fee in respect of any Acceptances will be made by cheque by the later of:

- (a) 10 Business Days after the date of receipt by Computershare of:
 - (i) an Acceptance Form (where applicable) bearing the Broker's stamp; and
 - (ii) the Claim Form and the Acceptance List in the format described above; and
- (b) 21 days after the end of the Offer Period.

4. Other notices

Magma Shareholders who have any questions in relation to the takeover bid should call the Panoramic Offer Information Line on 1300 559 021 (toll-free within Australia) or on +61 3 9946 4432 (normal charges apply) between 9.00 am and 5.00 pm (Sydney Time) Monday to Friday.

This Second Supplementary Bidder's Statement is dated 3 April 2012. A copy of this Second Supplementary Bidder's Statement has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for its contents.

Signed in accordance with section 351 of the Corporations Act for and on behalf of Panoramic following a unanimous resolution of the directors of Panoramic.

Signed.



Peter J Harold, Managing Director
Panoramic Resources Limited
3 April 2012