



21 June 2012

ASX: PAN

## Significant Upgrade in Gold Resource at Gidgee 63% increase to 1.05 million oz Gold

### Highlights

- **Gold Resources at Gidgee increase by 63% to 1,048,600oz of gold** (*previously 634,000oz*)
  - **Combined Open Pit Resources of 7.4Mt at 2.17g/t Au for 513,100oz Au**
  - **Underground Resources of 2.3Mt at 7.30g/t Au for 535,500oz Au**
  - **Total Resources of 9.6Mt at 3.38g/t Au for 1,048,600oz Au**
  - **Howards resource increased to 1.8Mt at 1.54g/t Au for 91,300oz Au**
  - **Heron South resource increased to 0.7Mt at 2.62g/t Au for 60,100oz Au**
  - **Swan Bitter resource of 4.1Mt at 3.01g/t Au for 392,800oz Au**
- Scoping Studies expanded to include larger resource base inclusive of free milling and sulphide resources
- Resource upgrades at Howards and Heron South expected in Q3 2012, pending drilling and assay results

### Details

Panoramic Resources Ltd ("Panoramic") is pleased to announce a **63%** increase in Resources at its 100% owned Gidgee Gold Project. The Gidgee resources now total **9.6Mt at 3.38g/t Au for 1,048,600oz Au**. The Resource upgrade has mainly come from increases at Howards, Heron South, Swan Bitter, Specimen Well and Toedter Iodes (see Figure 1).

#### Swan Bitter

The Swan Bitter open pit resource combines a number of historic open pits and previous deposits including Swift, Vigilant, Gannet, Swan Bitter and Butcher Bird. The Swan Bitter Underground Resource incorporates the previously defined resources of Premium and Cascade. The Swan Bitter mineralised system remains open at depth and warrants further exploration. The total Swan Bitter resource now stands at **4.1Mt at 3.01g/t for 392,800oz Au** (see Table 1).

#### Heron South

Panoramic has defined a resource at Heron South of **0.7Mt at 2.62g/t Au for 60,100oz Au**. Recent drilling and modelling indicates a continuous, well defined mineralised zone beneath the existing pit (see Figures 2 & 3). The currently defined Resource is approximately 250m long and strikes north-south. Heron South remains open along strike and at depth. Ongoing resource definition drilling is underway at Heron South, targeting strike and depth extensions. On completion of this round of drilling it is anticipated that the Heron South resource will be updated in Q3 2012.

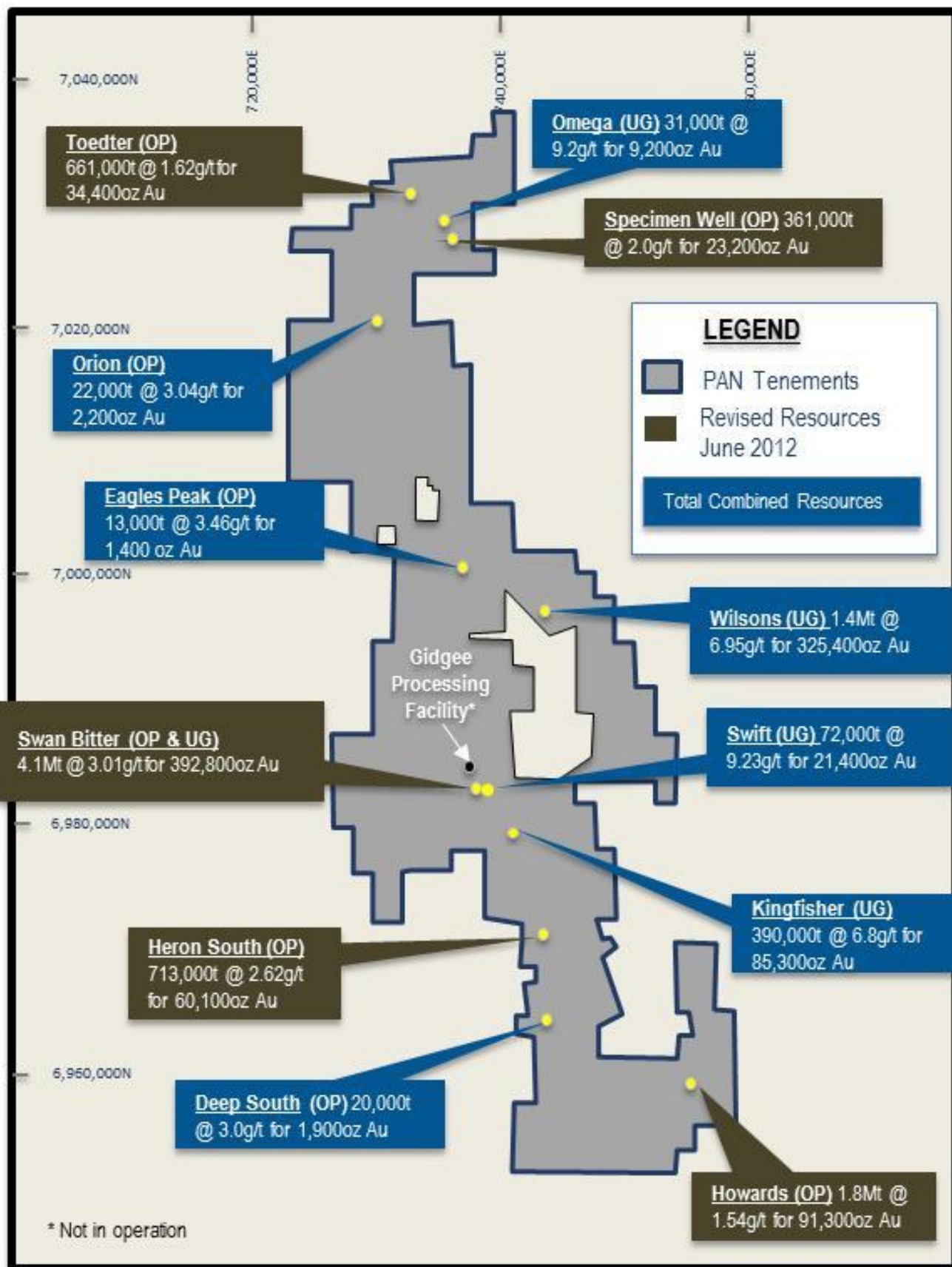


Figure 1 – Gidgee Tenement and Resource Map

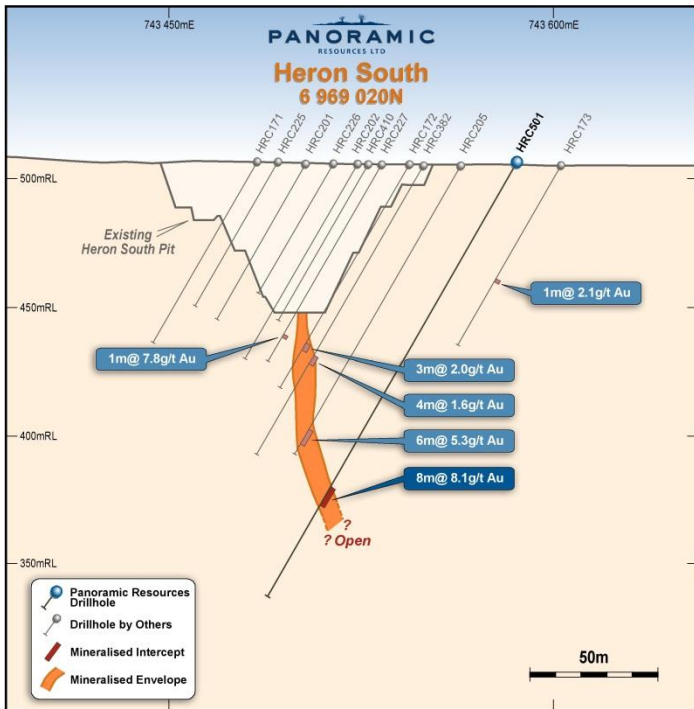


Figure 2 – Heron South - Section 6,969,020 N

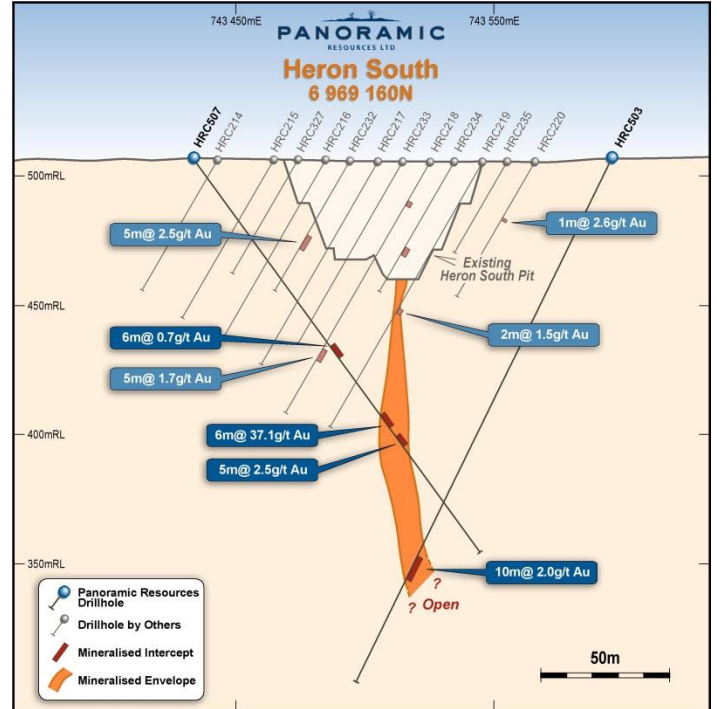


Figure 3 – Heron South – Section 6,969,160 N

### Howards

Panoramic has defined a resource at Howards of **1.8Mt at 1.52g/t for 91,300oz Au**. Drilling at Howards indicates that the mineralised system remains open at depth and along strike (see Figure 4). Panoramic is currently awaiting assay results from a number of drill holes targeting mineralisation below the current defined resource. On receipt of the outstanding assays the Howards resource will be updated (during Q3 2012).

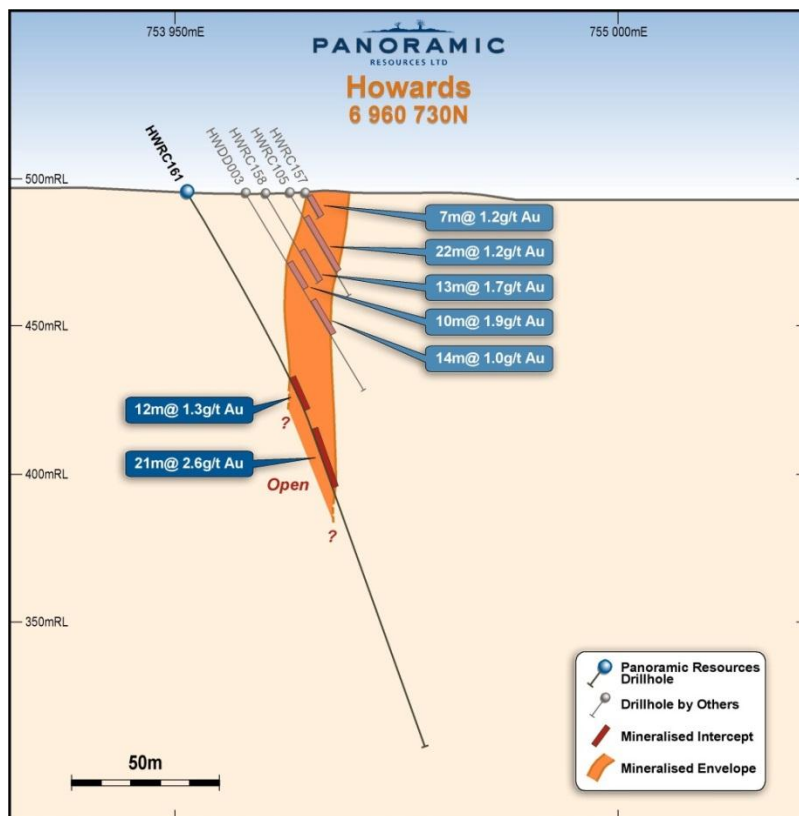


Figure 4 – Howards – Section 6,960,730 N





## Scoping Study Parameters and Timeframe

The Resource upgrade has resulted in Panoramic upsizing the parameters of the Scoping Study for mining and processing Gidgee ores. The expanded Scoping Study will address mine planning, metallurgy and re-start timelines and will explore, amongst other things, options to restart Gidgee utilising the Swan Bitter and Wilsons Resources as the base feed to the mill, supplemented by satellite feed from the Heron South and Howards Resources. The expanded Scoping Study is due for completion in Q4 2012.

Panoramic has outlined the following key work streams to be completed within the expanded Scoping Study:

- Preliminary mine design and production profiles
- Geotechnical drilling and analysis
- Metallurgical sampling and process flow sheet design
- Capital and operating cost estimates
- Baseline environmental and heritage studies

Assuming the Scoping Study is completed during Q4 2012 and we then move immediately to a Feasibility Study (potential timeframe of six months), it is possible we could be producing gold from Gidgee during calendar year 2014.

Panoramic is excited about the future prospects for Gidgee as the Company continues to execute its strategy of transforming itself into a diversified mining house.

## Resource Methodology

The Swan Bitter resource (open pit and underground) has been prepared by Carras Mining using a Diluted Grade Methodology. This methodology is widely used in the industry and has been adopted for use at Gidgee. The approach utilises mining parameters to define intersections which are then wire-framed. Search parameters based on variography and inverse distance cubed methods are then used to populate the block model for the open-cut resource. Extended sections methodology was used for the creation of the underground resource.

The Swan Bitter diluted open pit resource is confined to a A\$2,500/oz optimisation shell, (equivalent to a depth of approximately 200m below surface) and utilises a cut-off grade of 0.7g/t. Panoramic believes the methodology applied by Carras Mining will provide a more representative ROM (“run of mine”) grade estimate.

The updated Resources at Heron South, Howards, Toedter, and Specimen Well have been prepared jointly by Panoramic personnel and BM Geological Services (BMGS) as conventional three dimensional block models on an undiluted basis. These resources are reported at a cut-off grade of 0.5g/t.

The Gidgee Resources have been updated following a significant program of data verification, review, resource extension and infill Reverse Circulation (“RC”) drilling. The revised Gidgee Resources are summarised in Table 1.

**Table 1 - Gidgee Resource Table**

Gidgee Resources	Date of resource	Measured		Indicated		Inferred		Total		Contained Metal
		Tonnes	Grade g/t Au	Tonnes	Grade g/t Au	Tonnes	Grade g/t Au	Tonnes	Grade g/t Au	Ounces of Au
<b>Open Pit Resources</b>										
Swan Bitter	Jun-12	-	-	3,399,000	2.40	327,000	3.51	3,726,000	2.49	298,600
Heron South	Jun-12	-	-	383,000	3.05	330,000	2.13	713,000	2.62	60,100
Howards	Jun-12	-	-	530,000	1.59	1,313,000	1.52	1,843,000	1.54	91,300
Specimen Well	Jun-12	-	-	289,000	2.06	72,000	1.79	361,000	2.00	23,200
Toedter	Jun-12	-	-	-	-	661,000	1.62	661,000	1.62	34,400
Eagles Peak	Mar-06	-	-	13,000	3.46	-	-	13,000	3.46	1,400
Orion	Mar-06	-	-	22,000	3.04	-	-	22,000	3.04	2,200
Deep South	Mar-06	-	-	20,000	3.02	-	-	20,000	3.02	1,900
<b>Sub total</b>	-	-	-	<b>4,656,000</b>	<b>2.35</b>	<b>2,703,000</b>	<b>1.87</b>	<b>7,359,000</b>	<b>2.17</b>	<b>513,100</b>
<b>Underground Resources</b>										
Swan Bitter	Jun-12	-	-	207,000	8.71	125,000	9.02	332,000	8.83	94,200
Swift	Jun-12	-	-	-	-	72,000	9.23	72,000	9.23	21,400
Omega	Mar-06	-	-	31,000	9.20	-	-	31,000	9.20	9,200
Kingfisher	Mar-06	-	-	390,000	6.80	-	-	390,000	6.80	85,300
Wilsons	Aug-08	-	-	921,000	7.25	535,000	6.42	1,457,000	6.95	325,400
<b>Sub total</b>		-	-	<b>1,549,000</b>	<b>7.37</b>	<b>732,000</b>	<b>7.14</b>	<b>2,282,000</b>	<b>7.30</b>	<b>535,500</b>
<b>Total *</b>		-	-	<b>6,205,000</b>	<b>3.60</b>	<b>3,436,000</b>	<b>2.99</b>	<b>9,641,000</b>	<b>3.38</b>	<b>1,048,600</b>

\*Note: Totals may not add due to rounding.  
Cut-off grades shown next page.

## Competent Persons Disclosure

### Wilsons Resource

The information in this release that relates to Mineral Resources at Wilsons is based on studies commissioned and published by Apex Minerals NL which were compiled or reviewed by Mr Andrew Thompson as quoted in Apex Minerals 2009 Annual Report.

Mr Thompson 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 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 Thompson consents to the inclusion in the release of the matters based on the information in the form and context in which it appears. Mr Thompson was a full time employee of Apex Minerals NL in 2009 and is currently a full time employee of Corazon Mining Limited.

### Swan Bitter, Swift, Eagles Peak, Orion, Deep South, Omega, Kingfisher Resources

The information in this release that relates to Mineral Resources (at Swan Bitter, Swift, Eagles Peak, Orion, Deep South, Omega, Kingfisher) is based on information reviewed by Dr Spero Carras. Dr Carras is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a full-time employee of Carras Mining. Dr Carras 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. Dr Carras consents to the inclusion in the release of the matters based on the information in the form and context in which it appears.

### Heron South, Howards, Specimen Well and Toedter Resources

The information in this release that relates to Mineral Resources (at Heron South, Howards, Specimen Well and Toedter) is based on information 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. 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.

### Gidgee Project Exploration Results

The information in this release that relates to Exploration Results is based on information 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. 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.

Gidgee Resources	Resource cut-off Grade g/t Au
<b>Open Pit Resources</b>	
Swan Bitter OC	0.7
Heron South	0.5
Howards	0.5
Specimen Well	0.5
Toedter	0.5
Eagles Peak	1.2
Orion	1.3
Deep South	1.2
<b>Underground Resources</b>	
Swan Bitter (indicated)	4.0
Swan Bitter (inferred)	5.0
Swift	5.0
Omega	3.0
Kingfisher	3.0
Wilsons	4.5

### 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 East Kimberley, and the Lanfranchi Project near Kambalda, Western Australia. On a Group basis, Panoramic produced 17,027t of nickel contained in FY2011 and is forecasting to produce between **19,400 and 19,600t** of nickel in FY2012 (revised forecast April 2012). Panoramic is an S&P/ASX Top 200 company with a strong balance sheet, minimal bank debt and a growing nickel, gold and PGMs resource base, employing more than 500 people.

In early 2011, Panoramic acquired the Gidgee Gold Project, located near Wiluna, Western Australia. Panoramic recently purchased the high-grade Wilsons Project located within the Gidgee tenement package. With the recent resource upgrade the Gidgee Project tenements now contain 1.05M oz of gold in Resource. Panoramic is progressing a Scoping Study on the recommencement of gold production from Gidgee.

The Company has recently expanded into Platinum Group Metals (PGMs) with the purchase of the Panton PGM Project located approximately 60km south of the Savannah Project in the East Kimberley, which contains approximately 1.0Moz of Pt and 1.1Moz of Pd in Resource. Panoramic also holds a 92.24% interest in Magma Metals Limited (Magma) following the completion of an off-market takeover bid, and will proceed to compulsory acquisition of all the outstanding shares and options in Magma. Magma owns the Thunder Bay North PGM Project in northern Ontario, Canada which contains approximately 0.4Moz of Pt and 0.4Moz of Pd and a suite of exploration projects for gold and base metals in Western Australia.

The Company's vision is to broaden its exploration and production base, with the aim of becoming a major, diversified mining house in the S&P/ASX Top 100 Index.

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