



29 August 2012

ASX: PAN

Earnings Per Share (EPS)

The Company wishes to advise that in *Note 39: Earnings per share at (d:) Weighted average number of shares used in denominator* on page 102 of the 2012 Panoramic Consolidated Financial Statements, the actual number of ordinary shares to calculate basic and diluted earnings per share was understated. The actual number of ordinary shares that should have been used in the denominator was **211,781,650 shares** and not 193,098,978 shares as previously shown.

As a consequence, the actual basic and diluted earnings per share (EPS) for FY2012, shown on pages 9, 16, 36 and 102 of the 2012 Directors' Report and the 2012 Panoramic Consolidated Financial Statements, was (8.6) cents and not (9.3) cents as previously shown.

Amended pages 9, 16, 36 and 102 to the 2012 Directors' Report and the 2012 Panoramic Consolidated Financial Statements are attached to this announcement.

The amended and complete audited 2012 Directors' Report and the 2012 Panoramic Consolidated Financial Statements is available on the Company's website at www.panoramicresources.com

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 a record 19,791t of nickel contained in FY2012 and is forecasting to produce between **18,000 and 19,000t** of nickel in FY2013. 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 (including contractors).

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 as well as a 70% interest in the Mt Henry Gold Project. Panoramic's Gold Resources now contain 2.07M oz of gold. Panoramic released a Scoping Study in August 2012 on the recommencement of gold production from Gidgee and has commenced a Bankable Feasibility Study on the Mt Henry Project.

The Company has recently expanded into Platinum Group Metals (PGMs) with the purchase of the Pantom 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. Following the takeover of Magma Metals, Panoramic also owns the Thunder Bay North PGM Project in northern Ontario, Canada which contains approximately 0.4Moz Pt and 0.4Moz 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.

DIRECTORS' REPORT

Financial Performance

The Group's performance during the 2012 financial year and for the four previous financial years, are set out in the table below. The financial results shown below were all prepared under International Financial Reporting Standards (IFRS).

Year Ended 30 June	2012	2011	2010	2009	2008
Net profit/(loss) after tax (\$'000)	(18,212)	20,629	56,195	5,610	53,332
Earnings per share (cents)	(8.6)	10.0	27.5	2.9	28.4
Dividends per share (cents)	2.0	6.0	16.5	3.0	12.0
Dividends pay out ratio (%)	-	60.0	59.9	103.3	42.2
Market capitalisation (\$'000)	145,616	362,339	447,473	463,052	775,108
Closing share price (\$ per share)	0.61	1.75	2.18	2.27	4.04
Return on equity (%)	(15.3)	20.0	55.3	6.2	70.7

DIVIDENDS

On 26 August 2011, the Directors declared a fully franked final dividend of 2.0 cents per share, which was paid on 23 September 2011 in relation to the financial year ended 30 June 2011.

On 13 February 2012, the Directors declared an interim fully franked dividend of 2.0 cents per share, which was paid on 23 March 2012.

No final dividend has been declared for the financial year ended 30 June 2012.

REVIEW OF OPERATIONS

Nickel Division

On a Group basis, the operations produced an aggregate 19,791 (2011: 17,027) tonnes of contained nickel, up 16% on the previous financial year and a new annual production record.

Located 42kms south of Kambalda in Western Australia, the Company's 100% owned and operated Lanfranchi Nickel Project produced a record 464,188 (2011: 412,403) tonnes of ore grading 2.40% (2011: 2.45%) nickel containing 11,158 (2011: 10,106) tonnes of nickel. The nickel ore is treated at BHP Billiton Nickel West's Kambalda nickel concentrator under an Ore Tolling and Concentrate Purchase Agreement.

In the East Kimberley region of Western Australia, the Company owns and operates the Savannah Nickel Project and is the 78% owner and operator of the Copernicus Nickel Project. This year the Savannah Project treated a record 661,979 (2011: 600,837) tonnes of ore grading 1.52% (2011: 1.34%) and produced 8,633 (2011: 6,921) tonnes of nickel in concentrate together with 4,987 (2011: 3,689) tonnes of copper and 475 (2011: 379) tonnes of cobalt. The nickel concentrate is shipped from the port of Wyndham to the Jinchuan Group in China under the March 2010 Extended Concentrate Sales Agreement.

As at the date of this report, due to the weakness of the nickel price, the Copernicus Nickel Project remains under indefinite care and maintenance.

EXPLORATION AND DEVELOPMENT PROJECTS

During the financial year, the Group was successful in finding extensions to several of the existing orebodies at Lanfranchi. The Group continued exploring for new orebodies at each of its operations together with exploration on advanced and greenfield exploration projects within and outside Australia. The Group is forecast to spend up to \$15 million on Group wide exploration activities over the 2012/13 financial year.

Gold Division

At the 100% owned Gidgee Gold Project, exploration and evaluation activities were expanded to include resource verification work and in-fill drilling on previously mined areas. In August 2012, the Company released a Scoping Study ("Study") on the mining and treatment of open pit ore from previous production areas at Swan Bitter, Swift, Howards, Toedter, Specimen Well and underground ore from the recently acquired Wilsons orebody. The Study contemplates treating ore in a 1.05 million tonne per annum processing plant to produce an estimated total of 606,000 ounces of gold over an initial seven year mine life.

Following the finalisation, in August 2012, of the acquisition of a 70% interest in the Mt Henry Gold Project, the consolidated entity will commence a Bankable Feasibility Study into the mining and treatment of ore from the Mt Henry gold tenements.

DIRECTORS' REPORT

2012 REMUNERATION REPORT (Continued)

Executive Remuneration

Maximum STIB

In addition to the executive STIB scheme, and subject to the financial and operational performance of the Company and Group in the Relevant Financial year, the Company may make discretionary STIB cash payments to the remaining employees of the Company and Group.

To take account of the aggregation of the two annual STIB cash payments, the Remuneration Committee has set a maximum aggregate STIB Cash pool (including statutory superannuation) for the Company and Group to be calculated at the end of the Relevant Financial Year using figures obtained from the audited consolidated financial statements of the Company for the Relevant Financial Year, in accordance with the following formula:

$$C_{\max} = P \times 5\%$$

where

C_{\max} = the maximum aggregate Cash bonus to be paid to all Company and Group employees for the Relevant Financial Year;

P = Earnings Before Interest and Tax (“EBIT”) of the Company (on a consolidated basis) for the Relevant Financial Year.

Accrued and actual executive STIB payments

Actual STIB payments granted to each executive are made after the end of the Relevant Financial Year, usually in October (60%) and the following April (40%), when the audited consolidated financial statements of the Company for the Relevant Financial Year are known and the maximum executive STIB Cash pool (C_{EXEC}) has been determined.

For the 2012 financial year, based on the C_{EXEC} calculation formula and forecast consolidated financial results, no aggregate executive STIB Cash bonus has been accrued. Any variance between the C_{EXEC} accrual estimate and the aggregate of the actual STIB cash payments to be paid in Discretionary Cash bonuses, will be brought to account in the 2013 financial year.

For the 2011 financial year, no cash bonus was paid under the “STIB First Part - Financial Performance”. However, under the “STIB Second Part-Core Values”, the Remuneration Committee agreed to an executive Discretionary Cash bonus payment of 10% of each executive’s base salary. As a result, an aggregate amount of \$463,233 was paid to executives in October 2011. In addition, at the same time as approving the Discretionary Cash bonus, the Remuneration Committee agreed to pay each executive a Retention bonus in May 2012 of 10% of each executive’s base salary that totalled \$447,423.

The short term incentive variable remuneration component of the Group’s KMP is detailed in Table 1 on page 21.

Variable Remuneration – Long Term Incentive (LTI)

Objective

The objective of the LTI program is to reward and incentivise executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The Company’s performance during the 2012 financial year and for the previous four financial years, and its impact on shareholder wealth, is summarised in the table below.

Year Ended 30 June	2012	2011	2010	2009	2008
Net profit/(loss) after tax (\$'000)	(18,212)	20,629	56,195	5,610	53,332
Earnings per share (cents)	(8.6)	10.0	27.5	2.9	28.4
Dividends per share (cents)	2.0	6.0	16.5	3.0	12.0
Dividends pay out ratio (%)	-	60.0	59.9	103.3	42.2
Market capitalisation (\$'000)	145,616	362,339	447,473	463,052	775,108
Closing share price (\$ per share)	0.61	1.75	2.18	2.27	4.04
Return on equity (%)	(15.3)	20.0	55.3	6.2	70.7

Panoramic Resources Limited
Consolidated income statement
For the year ended 30 June 2012

		Consolidated	
		2012	Restated *
	Notes	\$'000	2011 \$'000
Revenue from operations	4	233,050	249,582
Other income	5	5	4,465
Cost of sales of goods	7	(220,487)	(195,104)
Other expenses	7	(16,514)	(14,118)
Exploration and evaluation expenditure		(6,669)	(6,303)
Mark to market of derivatives	7	(1,902)	(779)
Write-off of loan from related party	33	(1,869)	-
Impairment of available-for-sale financial assets		(5,333)	(5,536)
Finance costs	7	(1,590)	(1,424)
(Loss) Profit before income tax		(21,309)	30,783
Income tax benefit (expense)	8	3,097	(10,154)
Profit from continuing operations		(18,212)	<u>20,629</u>
(Loss) Profit is attributable to:			
Equity holders of Panoramic Resources Limited		(18,212)	20,629
		Cents	Cents
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company:			
Basic earnings per share	39	(8.6)	10.0
Diluted earnings per share	39	(8.6)	9.9

The above consolidated income statement should be read in conjunction with the accompanying notes.

* Certain amounts shown here do not correspond to the 2011 financial statements and reflect adjustments made as detailed in Note 6.

39 Earnings per share

	Consolidated	
	2012 Cents	2011 Cents
(a) Basic earnings per share		
Profit from continuing operations attributable to the ordinary equity holders of the company	(8.6)	10.0
Profit attributable to the ordinary equity holders of the company	(8.6)	10.0

(b) Diluted earnings per share

Profit from continuing operations attributable to the ordinary equity holders of the company	(8.6)	9.9
Profit attributable to the ordinary equity holders of the company	(8.6)	9.9

(c) Reconciliations of earnings used in calculating earnings per share

	Consolidated	
	2012 \$'000	2011 \$'000
<i>Basic earnings per share</i>		
Profit from continuing operations	(18,212)	20,629
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share	(18,212)	20,629
<i>Diluted earnings per share</i>		
Profit from continuing operations	(18,212)	20,629
Profit attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	(18,212)	20,629

(d) Weighted average number of shares used as the denominator

	Consolidated	
	2012 Number	2011 Number
<i>Weighted average number of ordinary shares for basic earnings per share</i>	211,781,650	206,174,577
Effect of dilution:		
Share options	-	4,202,329
<i>Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share</i>	211,781,650	210,376,906

Due to loss in the current year, options representing 3,000,000 potential shares are not considered dilutive as at 30 June 2012.

Since balance date;

(i) Movement in ordinary shares on issue -

2,966,635 shares were issued following the compulsory acquisition of Magma shares

(ii) No movement in share options