



December 2012 Half-Year Financial Results

Key points

- **Net Revenue - \$94.8 million** reflecting the weaker A\$ nickel price and lower nickel deliveries
- **Cash flow - \$16 million** before tax, after corporate costs and greenfield exploration
- **Nickel Division EBITDA (underlying) - \$13.5 million**, reflecting lower production and flat operating costs
- **NPAT - \$13.0 million loss**, reflecting lower A\$ sales revenue and higher non-cash depreciation and amortisation charges
- **Balance Sheet - \$66.9 million** in cash, term deposits and current receivables
- **Interim dividend - 1 cent per share fully franked**



New ventilation fans at Savannah

Summary of December 2012 half-year results

Description (Units in A\$ million unless otherwise stated)	Dec Half 2012	Dec Half 2011	Dec Half 2010
Financials			
A\$ average cash nickel price	\$7.39/lb	\$8.88/lb	\$10.73/lb
Total net revenue	\$94.8	\$116.1	\$129.2
Cost of sales before depreciation and amortisation	(\$81.3)	(\$80.2)	(\$74.2)
<i>Underlying Nickel Division EBITDA</i>	\$13.5	\$35.9	\$55.0
Depreciation and amortisation	(\$26.9)	(\$23.6)	(\$22.1)
Other net costs including corporate costs and exploration	(\$6.4)	(\$13.0)	(\$6.3)
<i>Profit/(loss) before tax and impairment</i>	(\$19.8)	(\$0.7)	\$26.6
Impairment before tax	-	(\$4.1)	-
<i>Profit/(loss) before tax</i>	(\$19.8)	(\$4.8)	\$26.6
Tax benefit/(expense)	\$6.8	\$0.9	(\$9.1)
Net profit/(loss) after tax	(\$13.0)	(\$3.9)	\$17.5
EPS (cents/share)	(5.2c)	(1.9c)	8.5c
Cash Flow			
Cash flow from operating activities before tax	\$16.0	\$23.0	\$20.5
Payments for property, plant, and equipment	(\$5.6)	(\$22.0)	(\$6.9)
Capitalised development costs	(\$10.6)	(\$11.2)	(\$13.0)
Exploration and evaluation expenditure (capital component)	(\$12.2)	(\$5.3)	(\$0.9)
Cash, term deposits and current receivables	\$66.9	\$96.5	\$156.2
Physicals			
Group nickel production (dmt)	9,236t	9,613t	8,216t
Group nickel sales (dmt)	9,048t	9,341t	8,205t

Positive underlying EBITDA

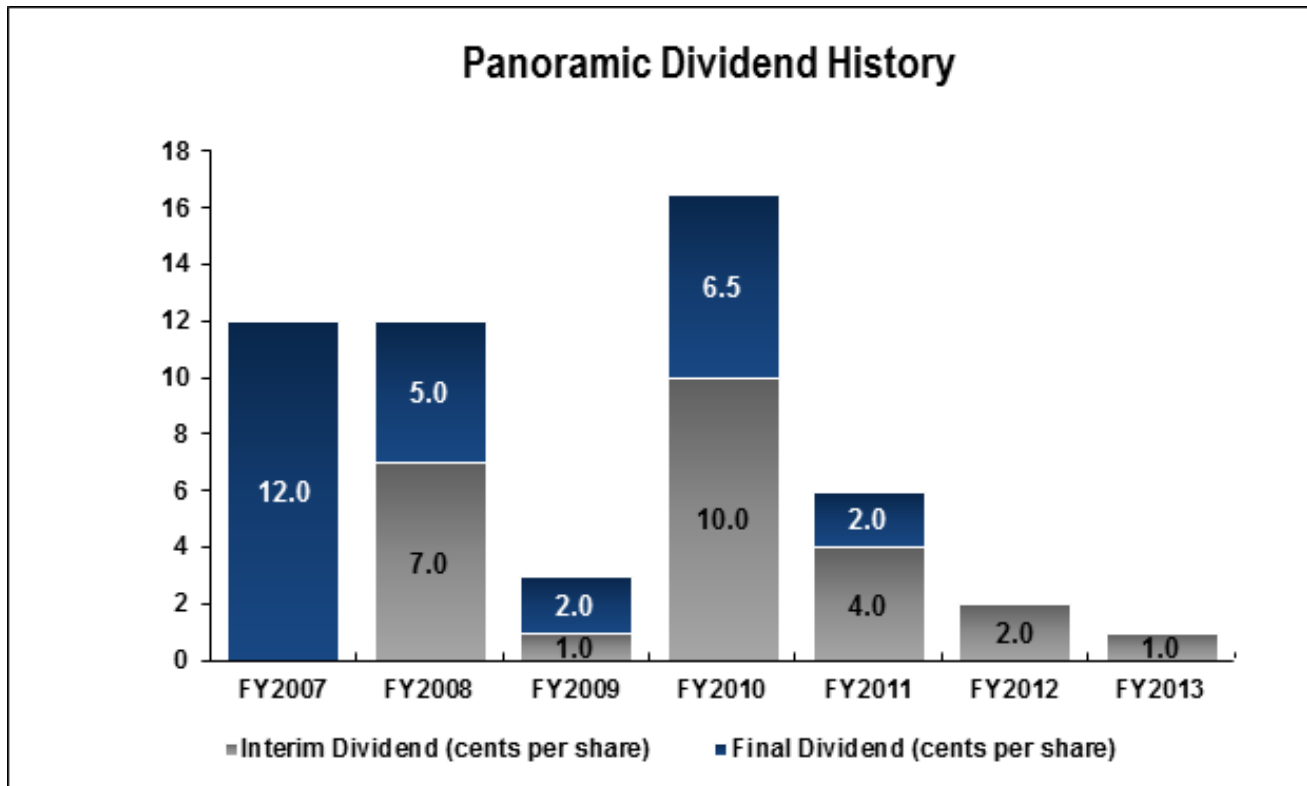
Operations cash flow positive

Significant increase in capitalised exploration effects cash balance

Balance Sheet remains strong

Dividend maintained

- **Interim dividend** - the Board is pleased to declare an interim **1 cent per share fully franked dividend**
- **Aggregate dividends** - total of **52.5 cents per share**
- **Total payout** - **\$104.7 million** over the last seven financial years



Additional information for Dec 2012 half-year

- **Cash Costs, C1 basis** - A\$6.71/lb (payable Ni), including royalties
- **Cash Costs, Ni in concentrate¹** - A\$3.88/lb
- **Depreciation and amortisation** - non-cash depreciation and amortisation expense increased by 14% to \$26.9 million due to expenditure on the following major capital projects:
 - Savannah ventilation project;
 - Wyndham concentrate storage shed; and
 - Lanfranchi accommodation village.
- **Savannah** - assay results received to-date confirm Savannah style mineralisation continues below the 900 Fault structure
- **Lanfranchi** – new zone of mineralisation discovered adjacent to the Schmitz orebody (Jury-Metcalf), maiden Resource for Jury-Metcalf and updated Resources for Schmitz and Deacon to be released during 2013

¹ Excluding smelter payability deductions and royalties

Total site costs reducing

- **Overall Costs**

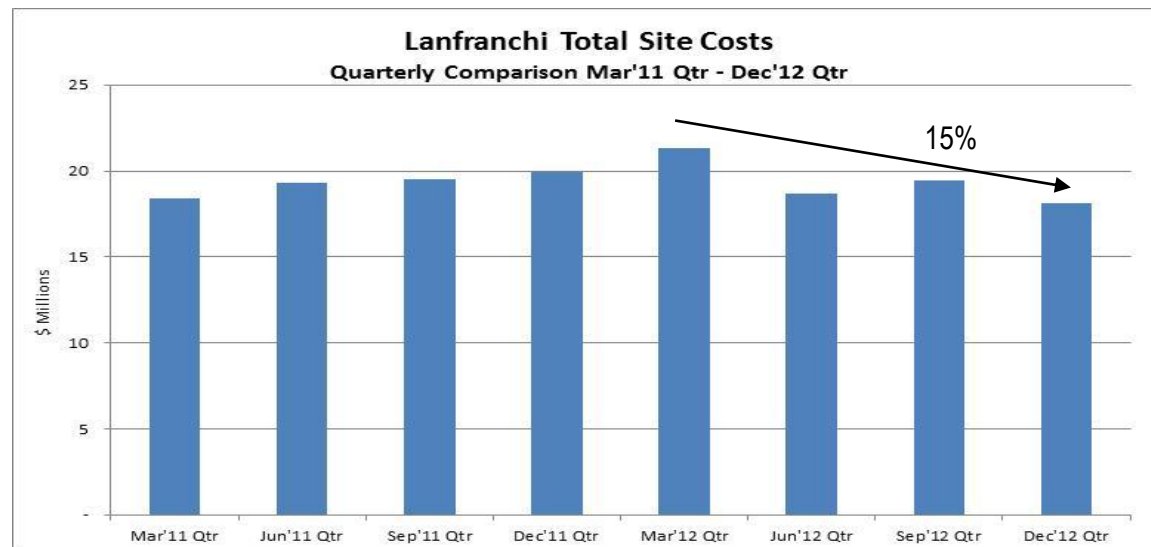
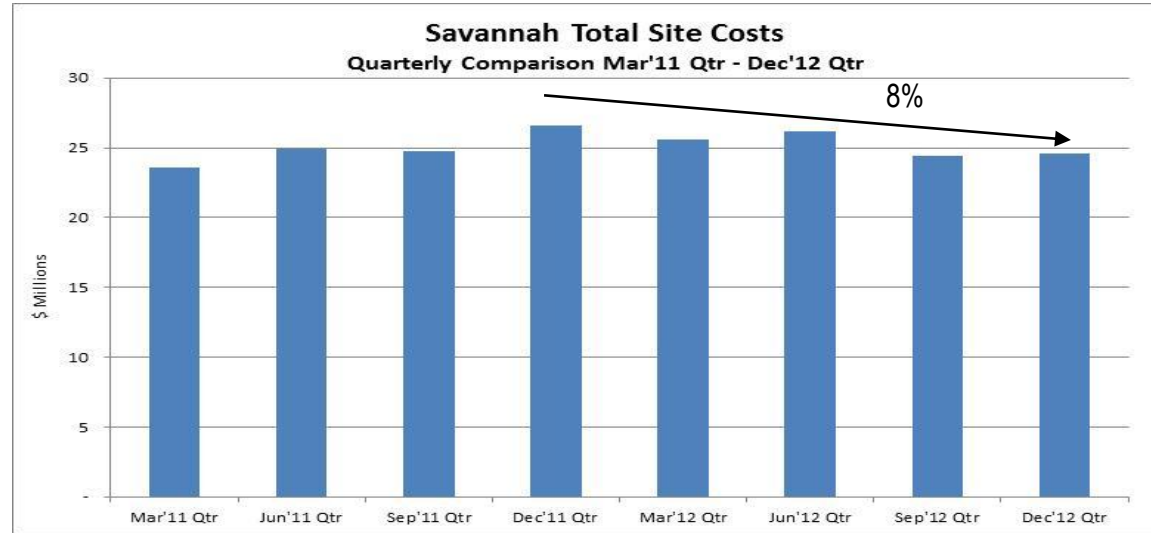
- Trending down
- Cost savings initiatives implemented during Q4 2012 to lower total site costs

- **Savannah**

- 8% cost reduction (since Dec 11 quarter)

- **Lanfranchi**

- 15% cost reduction (since Mar 12 quarter)



Business at a glance



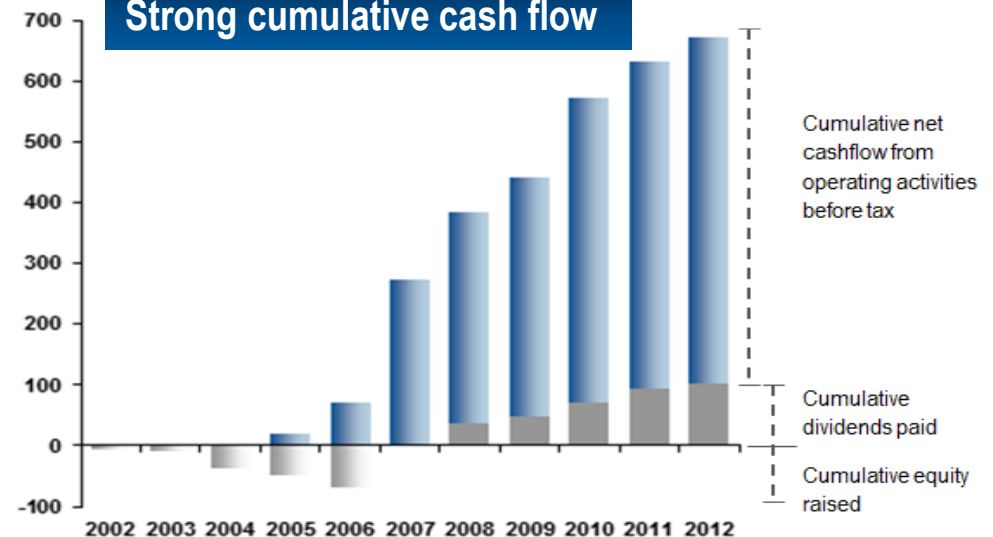
Significant Resource Base *as at 31 Dec 12*

Platinum + Palladium	2.8M oz
Gold	2.2M oz
Nickel	193kt
Copper	42kt
Cobalt	4kt

Market Cap and Enterprise Value Pro forma

S&P Index	S&P/ASX300
Shares on issue	256M
Share Price	\$0.45 (27 February 2013)
Market Capitalisation	~A\$115M
Cash	~A\$39M (31 December 2012)
Hedge Book Value	~A\$2M (31 December 2012)
Enterprise Value	~A\$75M

Strong cumulative cash flow



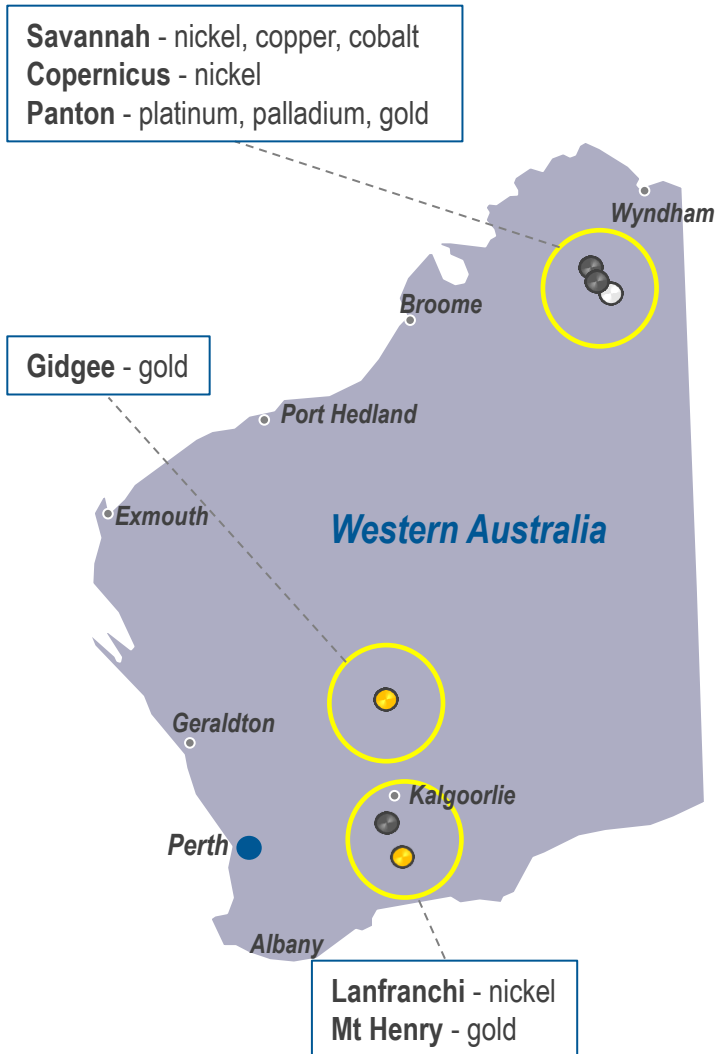
Panoramic's project locations

Savannah - nickel, copper, cobalt
Copernicus - nickel
Panton - platinum, palladium, gold

Gidgee - gold

Thunder Bay North - platinum, palladium, copper, nickel

Lanfranchi - nickel
Mt Henry - gold



The next 12 months

Safety

- Improve our safety performance
- Maintain focus on safety to ensure all staff return “**safely home every day**”

Nickel

- **Implement cost savings and productivity initiatives**
- Grow existing resource and reserve base to extend the mine life of our operations

Gold

- **Gidgee** - complete feasibility, finance and commence development
- **Mt Henry** - complete Bankable Feasibility Study (BFS)

PGMs

- **Thunder Bay North** - continue optimisation studies, settle on preferred flow sheet, continue exploration
- **Panton** - review BFS reports, identify synergies with Savannah

Corporate

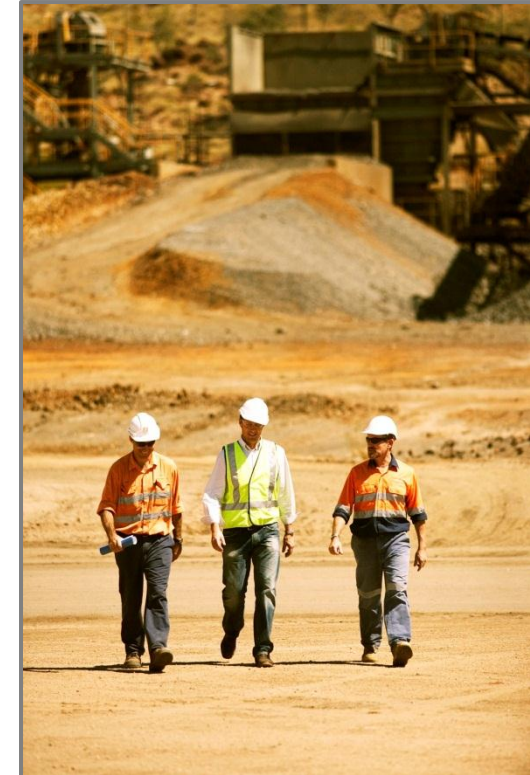
- Reduce costs
- Finance Gidgee

Exploration

- Resource drilling at Gidgee
- Savannah Deeps
- Lanfranchi channel extensions

Capital Growth

- Nickel price recovery, softening A\$, further cost reductions, exploration success and market recognition for our gold and PGM assets



Investment rationale

- **Multi commodity**

- Two operating nickel sulphide mines with copper and cobalt credits
- Two gold projects at advanced feasibility stage
- Two advanced PGMs projects

- **Countries**

- Australia
- Canada
- Norway

**Diversification
in commodities
and countries**

**Value created
for our
shareholders**

- **Dividends**

- ~\$105M in fully franked dividends

- **Well funded**

- ~\$39M cash on hand at 31 December 2012, no bank debt

- **Leveraged to**

- Nickel price upswing, exploration success, news flow on development projects, A\$ depreciation

- **Target Gold & PGMs production**

- ~150,000ozpa¹ gold within three years
- ~150,000ozpa² Pt+Pd within five years

**Growth
pipeline**

**Operational
excellence**

- **Experienced team**

- Exploration
- Project financing
- Mine development
- Operating

- **Safety**

- Continuous improvement in safety performance and outcomes

- **Technical competencies**

- **Operating efficiencies**

1. Based on in-house Gidjee Scoping Study (refer ASX announcement 7 August 2012) and work on Mt Henry Project by Kalgoorlie-Boulder Resources (ASX: KAL) (refer ASX announcement 17 April 2008)

2. Based on Magma Metals Preliminary Economic Assessment for Thunder Bay North Project (Feb 2011) and Platinum Australia 2012 BFS Review for Pantom Project (March 2012)



PANORAMIC
RESOURCES LTD



Mission Statement

We strive to achieve excellence in all aspects of our business to provide long term capital growth and dividend return to our shareholders, a safe and rewarding work environment for our employees, and opportunities and benefits to the people in the communities we operate in.

Appendix 1 : Panoramic - Nickel Resources (Ni,Cu,Co)



Savannah, Copernicus, Lanfranchi Resources Table

Resource	Equity	Metal	Date of Resource	Measured		Indicated		Inferred		Total		Metal Tonnes
				Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	
Savannah Project		100%										
		Nickel	Jul-12	1,064,000	1.57	3,558,000	1.49	-	-	4,622,000	1.51	69,700
		Copper			0.73		0.81		-		0.79	36,600
		Cobalt			0.08		0.08		-		0.08	3,700
Copernicus		~78%										
		Nickel	Jul-10	307,000	1.08	316,000	1.38	18,000	1.01	641,000	1.23	7,900
		Copper			0.66		0.99		0.70		0.82	5,300
		Cobalt			0.04		0.05		0.03		0.04	300
Lanfranchi Project		100%										
		Nickel										
Cruikshank			Apr-11	-	-	2,018,000	1.42	611,000	0.79	2,629,000	1.28	33,600
Deacon			Jul-12	854,000	2.70	388,000	2.73	55,000	2.48	1,297,000	2.70	35,000
Gigantus			Jul-07	-	-	-	-	652,000	1.63	652,000	1.63	10,600
Helmut South			Jul-12	45,000	2.95	-	-	-	-	45,000	2.95	1,300
Helmut South Ext			Jun-12	35,000	4.65	125,000	3.68	15,000	1.77	175,000	3.71	6,500
John			Jul-07	-	-	-	-	291,000	1.42	291,000	1.42	4,100
Lanfranchi			Jul-12	17,000	6.08	62,000	5.38	7,000	5.44	86,000	5.52	4,700
Martin			Jul-07	-	-	71,000	3.10	7,000	2.48	79,000	3.04	2,400
McComish			Jul-07	-	-	-	-	992,000	1.49	992,000	1.49	14,800
Schmitz			Jul-12	7,000	7.07	41,000	3.85	5,000	4.31	52,000	4.30	2,300
Winner			Jul-11	-	-	14,000	4.40	-	-	14,000	4.40	600
Total (Equity)		Nickel										193,500
		Copper										41,900
		Cobalt										4,000

Appendix 2 : Panoramic - Nickel Reserves (Ni,Cu,Co)



Savannah, Copernicus, Lanfranchi Reserves Table

Reserve	Equity	Metal	Date of Reserve	Proven		Probable		Total		Metal Tonnes
				Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	
Savannah Project										
Upper Zone	100%	Nickel	Jul-12	-	-	862,000	1.34	862,000	1.34	11,600
		Copper					0.63		0.63	5,400
		Cobalt					0.07		0.07	600
Lower Zone	100%	Nickel	Jul-12	-	-	2,608,000	1.32	2,608,000	1.32	34,400
		Copper					0.68		0.68	17,800
		Cobalt					0.06		0.06	1,700
Copernicus Open Pit										
	~78%	Nickel	Jul-12	-	-	288,000	1.03	288,000	1.03	3,000
		Copper					0.63		0.63	1,800
		Cobalt					0.04		0.04	100
Lanfranchi Project										
	100%	Nickel								
Deacon			Jul-12	-	-	1,375,000	2.01	1,375,000	2.01	27,600
Helmut South			Jul-12	-	-	48,000	2.24	48,000	2.24	1,100
Lanfranchi			Jul-12	-	-	43,000	3.08	43,000	3.08	1,300
Schmitz			Jul-12	-	-	21,000	3.04	21,000	3.04	600
Helmut Sth Ext			Jul-12	-	-	233,000	2.30	233,000	2.30	5,300
Total (Equity)		Nickel								85,000
		Copper								25,100
		Cobalt								2,400

Qualifying Statement and Notes

• **Savannah Project Resource** cutoff grade at 0.50% Ni • Copernicus Project Resource cutoff grade at 0.50% Ni • Savannah Project Reserve cutoff grade is 0.98% Ni • Copernicus Project Reserve cutoff grade is 0.50% Ni

• **Lanfranchi Project Resource** cutoff grades at 1.00% Ni • Lanfranchi Project Reserve cutoff grade is 1.00% Ni except the Deacon Orebody longhole stopes which are 0.80% Ni. All resources are inclusive of reserves. Individual project resources and reserves are stated on an equity basis.

The information in this report that relates to Mineral Resources is based on information compiled by or reviewed by Paul Hetherington (MAusIMM) for the Savannah Project Resource and John Hicks (MAusIMM) for the Lanfranchi Project and Copernicus Project Resources. The aforementioned are full-time employees of Panoramic Resources Limited. The aforementioned have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. The aforementioned consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Information in this report relating to Ore Reserves has been completed by or reviewed by Rob Thorburn (MAusIMM) for the Lanfranchi Project, Lilong Chen (MAusIMM) for the Savannah Project and Jonathon Bayley (MAusIMM) for the Copernicus project. The aforementioned are full-time employees of Panoramic Resources Limited. The aforementioned have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. The aforementioned consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 3 : Panoramic – Gold Project(s) Resources (Au)



Resource	Equity	Metal	Date of Resource	Measured		Indicated		Inferred		Total		Metal (Au oz)
				Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	
Gidgee Project	100%	Gold										
Swan Bitter Open Pit			Jun-12	-	-	3,399,000	2.40	327,000	3.51	3,726,000	2.49	298,600
Heron South Open Pit			Oct-12	-	-	1,000,000	2.31	136,000	1.41	1,136,000	2.20	80,300
Howards Open Pit			Oct-12	-	-	2,557,000	1.43	975,000	2.08	3,532,000	1.61	182,500
Specimen Well Open Pit			Jun-12	-	-	289,000	2.06	72,000	1.79	361,000	2.00	23,200
Toedter Open Pit			Jun-12	-	-	-	-	661,000	1.62	661,000	1.62	34,400
Eagles Peak Open Pit			Mar-06	-	-	13,000	3.46	-	-	13,000	3.46	1,400
Orion Open Pit			Mar-06	-	-	22,000	3.04	-	-	22,000	3.04	2,200
Deep South Open Pit			Mar-06	-	-	20,000	3.02	-	-	20,000	3.02	1,900
Swan Bitter Underground			Jun-12	-	-	207,000	8.71	125,000	9.02	332,000	8.83	94,200
Swift Underground			Jun-12	-	-	-	-	72,000	9.23	72,000	9.23	21,400
Omega Underground			Mar-06	-	-	31,000	9.20	-	-	31,000	9.20	9,200
Kingfisher Underground			Mar-06	-	-	390,000	6.80	-	-	390,000	6.80	85,300
Wilson's Underground			Apr-08	-	-	921,000	7.25	535,000	6.42	1,457,000	6.95	325,400
Mt Henry Project	70%	Gold										
Selene			Feb-08	-	-	8,243,000	1.59	2,183,000	1.44	10,426,000	1.56	522,500
Mt Henry			Sep-09	-	-	4,112,000	1.93	3,569,000	1.76	7,680,000	1.85	457,100
North Scotia			Feb-09	-	-	150,000	5.20	241,000	2.17	391,000	3.33	42,000
Total (Equity)		Gold										2,181,700

*Note: Totals may not add due to rounding.

Appendix 3 :

Panoramic - Gold Project(s) Resources (Au)



Gidgee Project

- Swan Bitter Open Pit Resource cutoff grade is 0.7 g/t • Eagles Peak Resource cutoff grade is 1.2 g/t • Orion Resource cutoff grade is 1.3 g/t • Deep South Resource cutoff grade is 1.2 g/t • Swan Bitter Underground Resource cutoff grade is 4.0 g/t for Indicated Resources and 5.0 g/t for Inferred Resources • Swift Underground Resource cutoff grade is 5.0 g/t • Omega Underground Resource cutoff grade is 3.0 g/t • Kingfisher Underground Resource cutoff grade is 3.0 g/t.

Individual project resources and reserves are stated on an equity basis.

The information in this report that relates to the Swan Bitter Open Pit, Eagles Peak, Orion, Deep South, Swan Bitter Underground, Swift Underground, Omega, and Kingfisher Mineral Resources is based on information compiled by or reviewed by Dr Spero Carras (FAusIMM). Dr Carras is the Executive Director of Carras Mining Pty Ltd and was acting as a consultant to Legend Mining Ltd in 2006 and Panoramic Resources Ltd in 2012. Dr Carras has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 presentation of the matters based on their information in the form and context in which it appears.

- Heron South Resource cutoff grade is 0.5 g/t • Howards Resource cutoff grade is 0.5 g/t • Specimen Well Resource cutoff grade is 0.5 g/t • Toedter Resource cutoff grade is 0.5 g/t. Individual project resources and reserves are stated on an equity basis

The information in this report that relates to the Heron South, Howards, Specimen Well, and Toedter Mineral Resources is based on information compiled by or reviewed by John Hicks (MAusIMM). John Hicks is a full time employee of Panoramic Resources Ltd. John Hicks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. John Hicks consents to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.

- Wilsons Resource cutoff grade is 4.5 g/t. Individual project resources and reserves are stated on an equity basis

The information in this report that relates to the Wilsons Mineral Resource is based on information compiled by or reviewed by Andrew Thomson (MAusIMM). Andrew Thomson was a full-time employee of Apex Mining NL in 2009 and is currently a full-time employee of Corazon Mining Ltd. Andrew Thomson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. Andrew Thomson consents to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.

Mt Henry Project

- Mt Henry Project Resource cutoff grades are 1.0 g/t. Individual project resources and reserves are stated on an equity basis.

The information in this report that relates to the Mt Henry Project Mineral Resources is based on information compiled by or reviewed by Richard Breyley (MAusIMM). Richard Breyley is a full-time employee of Matsa Resources Ltd. Richard Breyley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. Richard Breyley consents to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.

Appendix 4 : Panton PGM Project Resources



Panton PGM Project - Resources

Resource	Equity	Date of Resource	Tonnage	Grade					Metal (oz)	
				Pt (g/t)	Pd (g/t)	Au (g/t)	Cu (%)	Ni (%)	Pt (oz ,000)	Pd (oz ,000)
Top Reef	100%	Mar-12								
Measured			4,400,000	2.46	2.83	0.42	0.28	0.08	348	400
Indicated			4,130,000	2.73	3.21	0.38	0.31	0.09	363	426
			1,560,000	2.10	2.35	0.38	0.36	0.13	105	118
Middle Reef	100%	Mar-12								
Measured			2,130,000	1.36	1.09	0.10	0.18	0.03	93	75
Indicated			1,500,000	1.56	1.28	0.10	0.19	0.04	75	62
			600,000	1.22	1.07	0.01	0.19	0.05	24	21
Total (Equity)			14,320,000						984	1,081

The information in this report that relates to the Panton Mineral Resource is based on a resources estimate compiled by Mr Ted Copeland who is a Director of Cube Consulting Pty Ltd and is a Member of the Australian Institute of Mining and Metallurgy. Mr Copeland has more than ten years experience which is relevant to the style of mineralisation and type of deposit under consideration and in the activity which he is undertaking and qualifies as a Competent Person, as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Copeland consents to the inclusion in the release of the matters based on his information in the form and context in which they appear.

Appendix 5 : Thunder Bay North Project Resources



Resource	Equity	Date of Resource	Tonnage	Grade									Metal (oz)		
				Pt (g/t)	Pd (g/t)	Rh (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Ni (%)	Co (%)	Pt-Eq (g/t)	Pt (oz ,000)	Pd (oz ,000)	
Open Pit	100%	Jan-11													
Indicated			8,460,000	1.04	0.98	0.04	0.07	1.50	0.25	0.18	0.014	2.13	283	267	
Inferred			53,000	0.96	0.89	0.04	0.07	1.60	0.22	0.18	0.014	2.00	2	2	
Underground	100%	Feb-12													
Indicated			1,369,000	1.65	1.54	0.08	0.11	2.60	0.43	0.24	0.016	3.67	73	68	
Inferred			472,000	1.32	1.25	0.06	0.09	2.10	0.36	0.19	0.011	2.97	20	19	
Total (Equity)			10,354,000										377	355	

Thunder Bay North Open Pit Mineral Resource

The effective date of this estimate is 11 January 2011, which represents the cut-off date for the most recent scientific and technical information used in the report. The Mineral Resource categories under the JORC Code (2004) are the same as the equivalent categories under the CIM Definition Standards for Mineral Resources and Mineral Reserves (2010). The portion of the Mineral Resource underlying Current Lake is assumed to be accessible and that necessary permission and permitting will be acquired. All figures have been rounded; summations within the tables may not agree due to rounding.

The open pit Mineral Resource is reported at a cut-off grade of 0.59 g/t Pt-Eq within a Lerchs-Grossman resource pit shell optimised on Pt-Eq. The strip ratio (waste:ore) of this pit is 9.5:1. The contained metal figures shown are in situ. No assurance can be given that the estimated quantities will be produced. The platinum-equivalency formula is based on assumed metal prices and overall recoveries. The Pt-Eq formula is: $Pt-Eq\ g/t = Pt\ g/t + Pd\ g/t \times 0.3204 + Au\ g/t \times 0.6379 + Ag\ g/t \times 0.0062 + Cu\ g/t \times 0.00011 + Total\ Ni\ g/t \times 0.000195 + Total\ Co\ g/t \times 0.000124 + Rh\ g/t \times 2.1816$. The conversion factor shown in the formula for each metal represents the conversion from each metal to platinum on a recovered value basis. The assumed metal prices used in the Pt-Eq formula are: Pt US\$1,595/oz, Pd US\$512/oz, Au US\$1,015/oz, Ag US\$15.74/oz, Cu US\$2.20/lb, Ni US\$7.71/lb, Co US\$7.71/lb and Rh US\$3,479/oz. The assumed combined flotation and PlatsolTM process recoveries used in the Pt-Eq formula are: Pt 76%, Pd 75%, Au 76%, Ag 55%, Cu 86%, Ni 44%, Co 28% and Rh 76%. The assumed refinery payables are: Pt 98%, Pd 98%, Au 97%, Ag 85%, Cu 100%, Ni 100%, Co 100% and Rh 98%.

The updated resources do not include drilling conducted since May 31, 2010.

The information in this report that relates to Mineral Resources compiled by AMEC Americas Limited was prepared by Greg Kulla P.Geol (APOG #1752, APEGBC #23492) and David Thomas, P.Geol, MAusIMM (APEGBC #149114, MAusIMM #225250), both full time employees of AMEC Americas Limited. Mr. Kulla and Mr. Thomas have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) and independent qualified persons as this term is defined in National Instrument 43-101.

Thunder Bay North Underground Mineral Resource

Underground Mineral Resource Estimates: The internal mineral resource estimate for the East Beaver Lake extension was made by ordinary kriging methods using the same technical and financial parameters as those used by AMEC Americas Limited for the Underground Mineral Resource estimate reported by the Company on 6 September 2010. The Underground Mineral Resource is reported at a cut-off grade of 1.94g/t Pt-Eq. The contained metal figures shown are in situ. The platinum equivalency formula is based on assumed metal prices and recoveries and therefore represents Pt-Eq metal in situ. The Pt-Eq formula is: $Pt-Eq\ g/t = Pt\ g/t + Pd\ g/t \times 0.2721 + Au\ g/t \times 0.3968 + Ag\ g/t \times 0.0084 + Cu\ g/t \times 0.000118 + Sulphide\ Ni\ g/t \times 0.000433 + Sulphide\ Co\ g/t \times 0.000428 + Rh\ g/t \times 2.7211$. The assumed metal prices used in the Pt-Eq formula are: Pt US\$1,470/oz, Pd US\$400/oz, Rh US\$4,000/oz, Au US\$875/oz, Ag US\$14.30/oz, Cu US\$2.10/lb, Ni US\$7.30/lb and Co US\$13.00/lb. The assumed process recoveries used in the Pt-Eq formula are: Pt 75%, Pd 75%, Rh 75%, Au 50%, Ag 50%, Cu 90%, and Ni and Co in sulphide 90%.

The assumed smelter recoveries used in the Pt-Eq formula are Pt 85%, Pd 85%, Rh 85%, Au 85%, Ag 85%, Cu 85%, Ni 90% and Co 50%. To account for a portion of the Ni and Co occurring as silicate minerals, Ni and Co in sulphide were estimated by linear regression of MgO to total Ni and total Co respectively. The regression formula for Ni in sulphide (NiSx) is: $NiSx = Ni - (MgO\% \times 60.35 - 551.43)$. The regression formula for Co in sulphide (CoSx) is: $CoSx = Co - (MgO\% \times 4.45 - 9.25)$. All figures have been rounded. Summations within the tables may not agree due to rounding. Magma undertook quality assurance and quality control studies on the mineral resource data and concluded that the collar, assay and lithology data are adequate to support resource estimation. The Mineral Resource categories under JORC are the same as the equivalent categories under CIM Definition Standards (2005). The Mineral Resource has been estimated in conformity with both generally accepted CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice" (2003) guidelines and the JORC Code (2004). Mineral resources are not mineral reserves and do not have demonstrated economic viability.

The information in this report that relates to Mineral Resources compiled internally by Magma was prepared by Mr. Guoliang Leon Ma P.Geol and Mr. Allan MacTavish P.Geol, both full time employees of Magma Metals (Canada) Limited, a wholly owned subsidiary Panoramic Resources Pty Ltd. Both Mr. Ma and Mr. MacTavish have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) and qualified persons as this term is defined in National Instrument 43-101. Mr. Ma and Mr. MacTavish consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.