

GME Welcomes Panoramic as a Strategic Investor and enters MOU



NiWest Nickel Laterite Project (GME -100%)

GME Resources Limited (**GME** or **the Company**) (ASX:GME) is pleased to announce it has completed a strategic placement and entered into a memorandum of understanding with Panoramic Resources Limited (**Panoramic**) regarding the future potential exploration, development and financing of the Company's NiWest Nickel Laterite Project (**Panoramic MOU**).

Panoramic is an ASX listed (ASX: PAN) mining company which owns two operating nickel mines in Western Australia with a market capitalisation of approximately \$250m and cash and receivables at 30 June 2014 of approximately \$96.7m. During the financial year ended 30 June 2014, Panoramic produced a record 22,256t of nickel from its 100% owned Savannah and Lanfranchi mines.

Panoramic MOU

GME and Panoramic have entered into a memorandum of understanding regarding the future potential exploration, development and financing of the Company's NiWest Nickel Project (**Project**). The key terms of the Panoramic MOU are:

- Panoramic to undertake a review of all available information in relation to the Project (**Panoramic Project Review**);
- Following completion of the Panoramic Project Review, Panoramic shall provide GME with its advice on the following with respect to the Project:
 - Further exploration;
 - Project optimisation;
 - Project commercialisation alternatives; and
 - Funding alternatives
- Panoramic may provide GME with commercial terms for consideration with regard to Panoramic's potential involvement in the advancement of the Project, whether by way of joint venture with GME, a further strategic investment by Panoramic in GME, an acquisition of the Project or some other transaction (**Panoramic Proposal**);
- Panoramic is granted a period of exclusivity ending on 30 June 2015 to put forward any Panoramic Proposal, during which time GME shall not, directly or indirectly actively solicit any third party competing proposals (however no restriction on responding to any third party proposal which was unsolicited by GME)
- Panoramic is entitled to terminate the Panoramic MOU at any time upon notice to GME

GME Managing Director Jamie Sullivan commented:

"We are extremely pleased to have attracted a strategic investor of Panoramic's calibre. They have a proven track record in financing, developing and operating profitable nickel operations in our jurisdiction and we look forward to working with their team to advance our NiWest Project."

Panoramic's investment coincides with the commencement of a major metallurgical program designed to test the NiWest flowsheet at feasibility level. A successful outcome from this work has the potential to significantly enhance the Company's development strategy to transform the NiWest Nickel Project into long term nickel operation."

Placement

The placement to Panoramic comprised the issue of 18,518,519 shares at an issue price of \$0.027 per share to raise gross proceeds of \$500,000 (**Panoramic Placement**). The Panoramic Placement was made pursuant to the placement of shortfall from the recent Entitlement Offer (**Entitlement Offer Shortfall Placement**). Including the Panoramic Placement, a total of 25,474,869 shares have been placed to raise gross proceeds of \$687,821 pursuant to the Entitlement Offer Shortfall Placement.

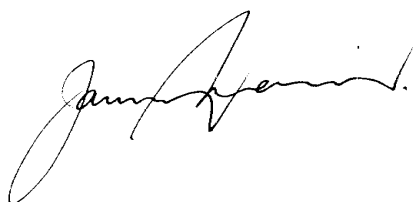
Proceeds raised from the Entitlement Offer Shortfall Placement will be used to advance development work on the NiWest Nickel laterite Project. An appendix 3B and s708A Statement have been attached to this announcement.

About Panoramic

Panoramic 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 had a record production of 22,256t contained nickel in FY2014 and is forecasting to produce between 20,000 and 21,000t contained nickel in FY2015. Panoramic has a solid balance sheet, no bank debt and a growing nickel, gold and PGM resource base, employing more than 400 people (including contractors).

Advisors

Azure Capital Ltd acted as Corporate Adviser and Lead Manager to the Entitlement Offer Shortfall Placement, including the Panoramic Placement and Panoramic MOU.



JAMIE SULLIVAN
MANAGING DIRECTOR
22 September 2014

