

## Savannah - One million tonnes of concentrate shipped

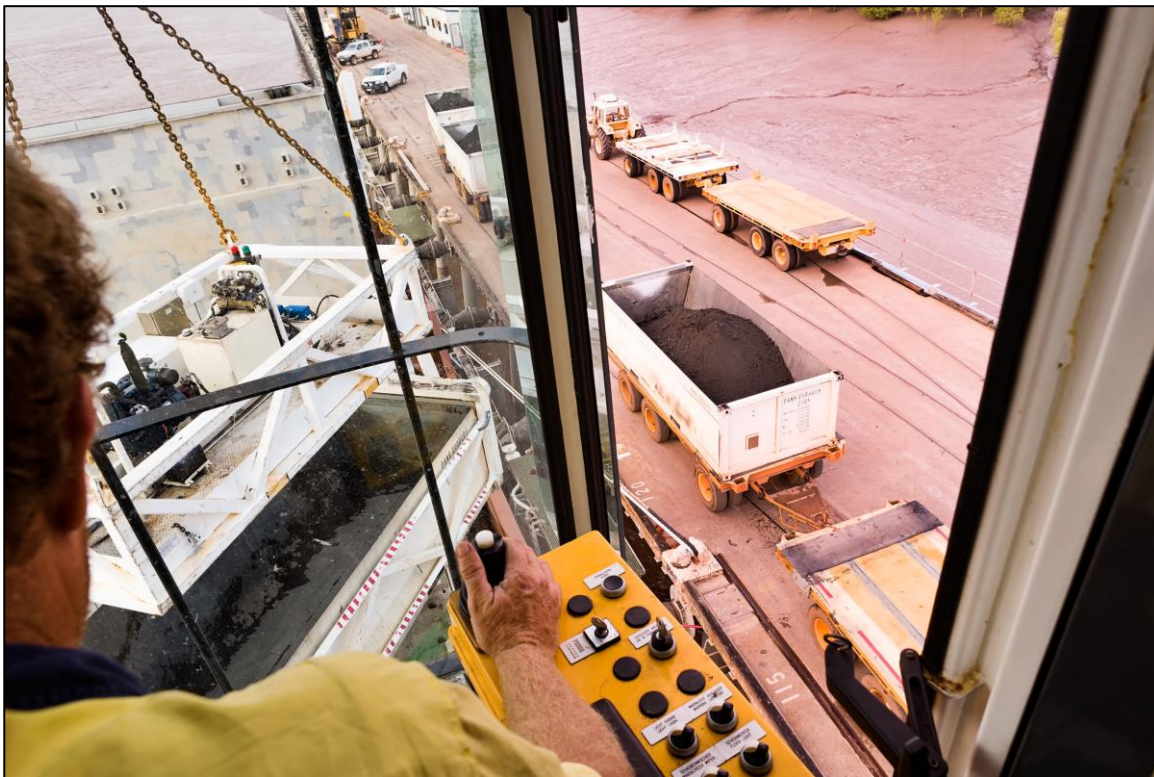
### Highlights

- Major milestone achieved - one million tonnes of concentrate shipped from Savannah
- Operation has significantly exceeded Feasibility Study parameters - 10 years of continuous operation

### Details

Panoramic Resources Limited ("Panoramic") is pleased to report the recent departure of the 130<sup>th</sup> shipment of Savannah nickel, copper, cobalt concentrate from the Port of Wyndham to The Jinchuan Group of China ("Jinchuan"). Aggregate shipments to Jinchuan have now exceeded **one million dry metric tonnes** since the first shipment in September 2004.

Figure 1 – Loading the MV Fagelgracht with Savannah Concentrate



The one millionth tonne of concentrate shipped on the MV Fagelgracht, which departed on 16 October 2014, represents a significant milestone for the Savannah Nickel Project ("Savannah"). This achievement represents 10 years of continuous operation for the project and is a great tribute to the team at Savannah.

The relationship with Jinchuan has been instrumental in Savannah's success. The strength of this relationship was demonstrated in 2010 with the signing of the Extended Concentrate Sales Agreement through to 2020. Savannah's concentrate is an important feedstock for Jinchuan given its **consistent quality, significant copper and cobalt by-product credits, average iron to magnesium oxide ratio of 38:1** and low average arsenic levels of around 10 parts per million.

## About the Project

Savannah was originally purchased by Panoramic for \$1.8 million in 2001 as a greenfield project containing ~64,000t Ni in resource together with copper and cobalt. Construction was completed on time and budget in 2004 at a cost of A\$65 million (estimated replacement cost of plant and infrastructure today is A\$165-175 million), with an initial mine life of approximately 5.5 years based on the ~53,300t Ni mining inventory (*refer to the Company's 2003 Annual Report, page 12, released on 24 October 2003*). Since 2004, Savannah has:

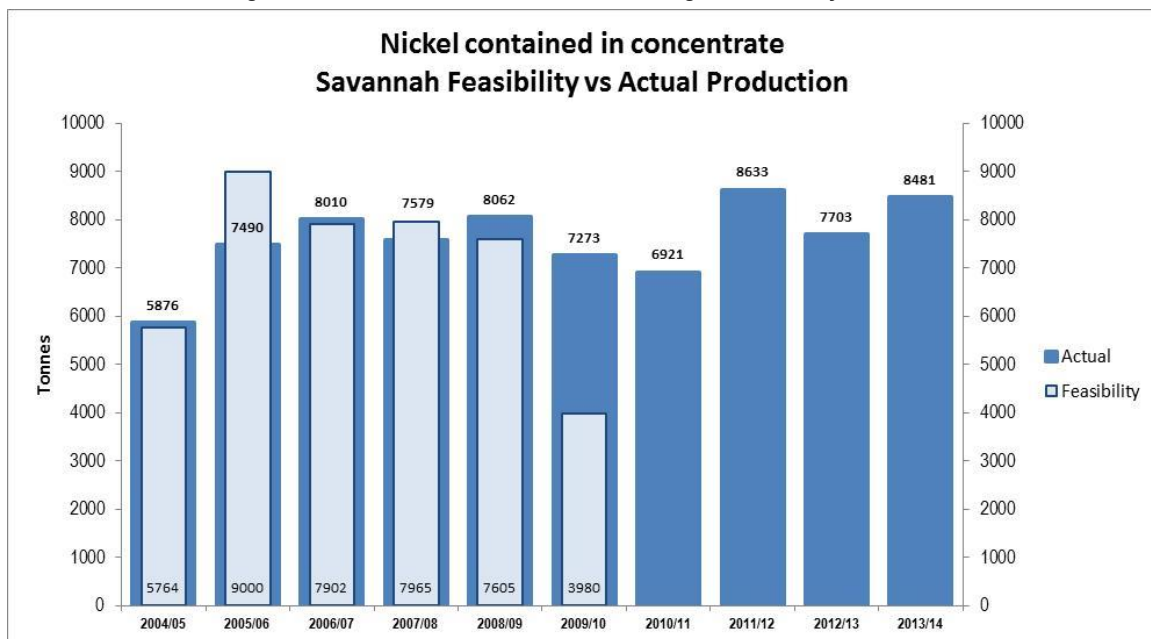
- been a major employer in the Kimberley with a total of 656 people employed to date;
- had a very dedicated workforce with **~30% of the current 191 employees exceeding five years' service** (25 exceeding 5 years, 21 exceeding 8 years and 11 exceeding 10 years);
- generated **approximately US\$1.3 billion** in revenue;
- paid ~A\$13 million in royalties to the Traditional Owners; and
- paid ~A\$58 million in royalties to the Western Australian Government.

Since operations commenced, Savannah has continued to exceed all expectations by:

- delivering **78kt** of nickel, **43kt** of copper and **4kt** of cobalt (in concentrate) to Jinchuan; and
- the continued exploration success that has resulted in **Reserves increasing significantly to see current mine life surpass the 2003 Feasibility Study by 8 years through to 2017**. This excludes any additional mine life that may result from drilling below the 900 Fault or from the recently discovered Savannah North mineralisation some 600m to the north west of the Savannah orebody.

Savannah has consistently maintained production at or above 2003 Feasibility Study levels (*Figure 2*).

Figure 2 – Savannah Nickel Production – original feasibility vs actual



## Savannah North Discovery

Savannah's move into its eleventh year of production has been an outstanding achievement and **the discovery of Savannah North, which once quantified, could extend the mine life well beyond 2017**.

Peter Harold, Panoramic's Managing Director said "we are very excited with the potential for Savannah's future and I take this opportunity to thank all employees involved with the project, the Traditional Owners, Jinchuan, our suppliers, the original financiers (Macquarie Bank and Standard Bank) and our shareholders for their continued support."

## About the Company

Panoramic Resources Limited (ASX code: PAN) is a Western Australian mining company formed in 2001 for the purpose of developing the Savannah Nickel Project in the East Kimberley. Panoramic successfully commissioned the \$65 million Savannah Project in late 2004 and then purchased and restarted the Lanfranchi Nickel Project, near Kambalda in 2005. In FY2014, the Company produced a record 22,256t contained nickel and is forecasting to produce 20-21,000t contained nickel in FY2015.

Following the successful development of the nickel projects, the Company diversified its resource base to include gold and platinum group metals (PGM). The Gold Division consists of the Gidgee Project located near Wiluna and the Mt Henry Project (70% interest), near Norseman. Both projects are currently under feasibility study. The PGM Division consists of the Panton Project, located 60km south of the Savannah Project and the Thunder Bay North Project in Northern Ontario, Canada.

Panoramic has been a consistent dividend payer and has paid out a total of \$111 million in fully franked dividends since 2008. At 30 June 2014, Panoramic had \$64 million in cash, no bank debt and employed around 400 people.

The Company's vision is to broaden its exploration and production base, with the aim of becoming a major, diversified mining company in the S&P/ASX 100 Index. The growth path will include developing existing resources, discovering new ore bodies and acquiring additional projects. Panoramic is led by an experienced exploration-to-production team with a proven track record.

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