

On track to meet FY2015 Production Guidance Preliminary December 2014 Quarter Statistics

Highlights

- Safety – **three LTIs**
- Group Production – **4,832t contained nickel (unreconciled)**
- Group FY2015 Guidance – 20,000-21,000t nickel contained in concentrate/ore maintained
- Costs – quarterly aggregate Group site costs flat
- Group cash and trade receivables – **~\$79 million**
- Thunder Bay North – Earn-in/JV Partner confirmed technical due diligence completed to their satisfaction

Details

Panoramic Resources Limited (“Panoramic”) is pleased to announce preliminary statistics for the December 2014 quarter.

Safety

Three lost time injuries (LTIs) were reported during the quarter, with two of the three LTIs being sustained by contract workers. This result is unsatisfactory and the Company is working hard with all contractors and employees to improve safety performance and to ensure the work practices that led to the LTIs are not repeated.

Production

The quarterly Group production was 7% below the previous quarter at 4,832t nickel in concentrate/ore (unreconciled). At Savannah, the mill was down for four days planned maintenance in December. During the shutdown, some corrosion issues were identified to the concentrate thickener and the mill was down for a further six days to perform preventative maintenance. As a result, production was impacted in December. Mining commenced at the Copernicus open pit in late November and ~6,000t of ore was blended and processed with Savannah ore in December. Lanfranchi nickel production was on budget.

Group FY2015 Production Guidance

Group Production Guidance for FY2015 of 20,000-21,000t nickel contained in concentrate/ore maintained.

Cash and Receivables

Group liquid assets at the end of the quarter were ~\$79 million, comprising ~\$61 million of cash and ~\$18 million of trade receivables. The ~\$9 million decrease in the cash balance during the quarter was primarily due to:

- negative quotational period (QP) final invoice pricing adjustments totaling ~\$5 million on September 2014 quarter deliveries due to the quarter-on-quarter lower nickel price;
- reduced provisional invoice receipts on December 2014 quarter deliveries as a result of the softening nickel price;
- Group exploration expenditure of ~\$3 million;
- Copernicus pre-production costs of ~\$1 million; and
- working capital movements, including a ~\$2 million shortfall in the provisional invoice payment on the December Savannah concentrate shipment due to a bank documentation issue (resulting in this amount being included in trade receivables) and from a ~\$3 million reduction in the balance of trade creditors over the quarter.

Thunder Bay North (TBN)

Rio Tinto Exploration Canada Inc. (RTEC) has advised it has completed technical due diligence on the TBN tenements, apart from a final environmental and legal review. RTEC has until 31 January 2015 to exercise its right to earn a 70% interest in the TBN tenements.

Quarterly Report

The full December 2014 Quarterly Report is targeted for release on 28 January 2015.

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 31 December 2014, Panoramic had \$61 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, acquiring additional projects and is being led by an experienced exploration-to-production team with a proven track record.

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