

## Preliminary December 2015 Quarterly Statistics

### Key Points

- **Safety** – no LTIs, Group LTI Frequency Rate (LTIFR) dropped from 3.3 to 0.93
- **Savannah Production** – 2,600t Ni in concentrate, up 7% on a solid operating performance
- **Costs** – quarterly aggregate Savannah production costs were lower
- **Resources and Reserves** – major Resource upgrade at Savannah North, maiden Resource at Lower Schmitz to be released during the March 2016 quarter
- **Cash, receivables and nickel in concentrate** – ~\$33 million, liquid assets down ~\$7 million after further redundancy costs and negative QP adjustments due to the weaker US\$ nickel price

### Details

#### Safety

Safety performance continued to improve at Savannah with no LTIs recorded. Pleasingly, Group LTIFR dropped from 3.3 to 0.93.

#### Production

Savannah had a solid operating performance during the quarter, producing 2,600t Ni contained in concentrate (September 2015 quarter: 2,427t Ni). Changes to operational requirements resulted in 21 employees being made redundant during the quarter.

At Lanfranchi, the operation was put on care and maintenance in November after the completion of the 9000 Drill Drive and the initial Resource drilling program on the Lower Schmitz mineralisation. As a result, an additional 20 employees were made redundant.

#### Exploration

The initial Resource drilling program at Lower Schmitz was completed and the maiden Resource at Lower Schmitz is expected to be released during the March 2016 quarter.

A major upgrade to the Savannah North Resource was released during the quarter (*refer to the Company's ASX announcement of 1 October 2015*).

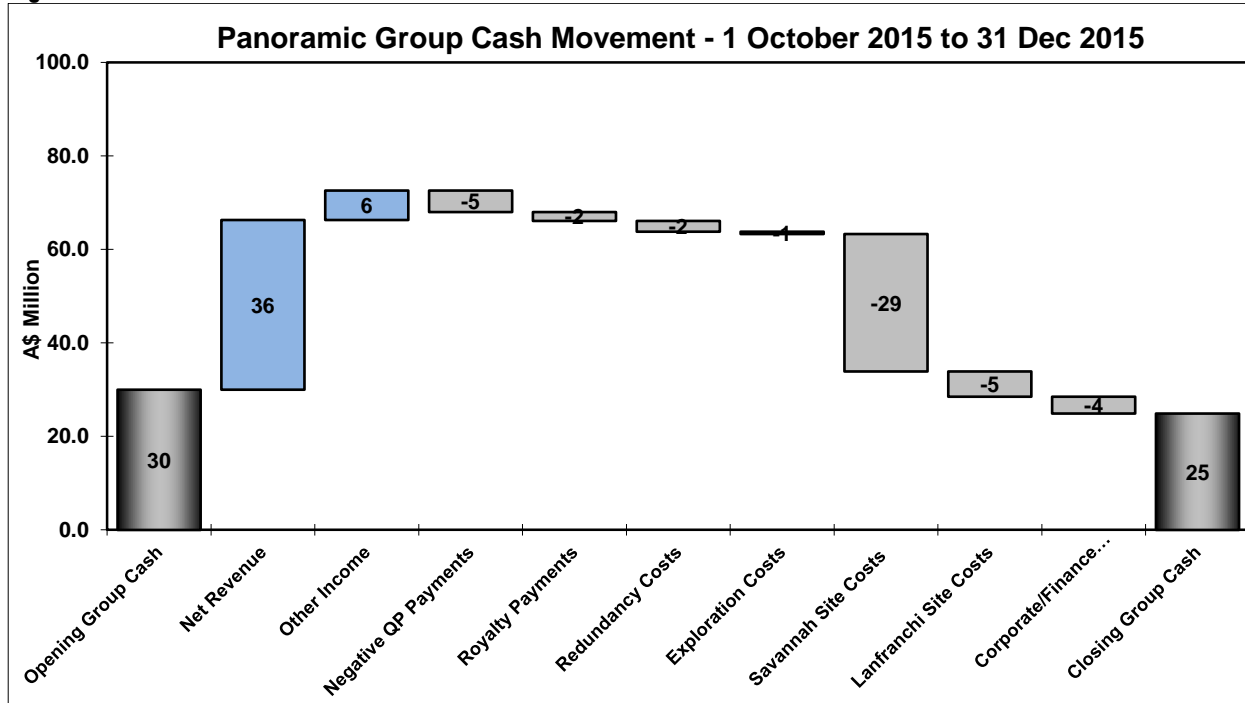
#### Liquid Assets

Group liquid assets at the end of the quarter were ~\$33 million, comprising ~\$25 million of cash, ~\$2 million of receivables and ~\$6 million of nickel in concentrate waiting to be shipped at 31 December 2015. The movement in liquid assets was primarily due to:

- ~\$2 million redundancy costs at Lanfranchi, Savannah and Perth Office (total cost of ~\$8 million in the half year);
- the further fall in the US\$ nickel price impacting on sales revenue and requiring the Company to refund ~\$5 million for final invoice quotational period pricing adjustments; and
- ~\$6 million in proceeds from the sale of MLX shares (total of ~\$15 million received in the half year).

Aggregate movements in the Group Cash balance over the quarter are shown in Figure 1.

Figure 1



## Quarterly Report

The full December 2015 Quarterly Report is targeted for release on 29 January 2016.

## 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 commissioned the \$65 million Savannah Project in late 2004 and then in 2005 purchased and restarted the Lanfranchi Nickel Project, near Kambalda. In FY2015, the Company produced approximately 19,300t contained nickel.

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. 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 shareholders a total of \$114.3 million in fully franked dividends since 2008.

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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