

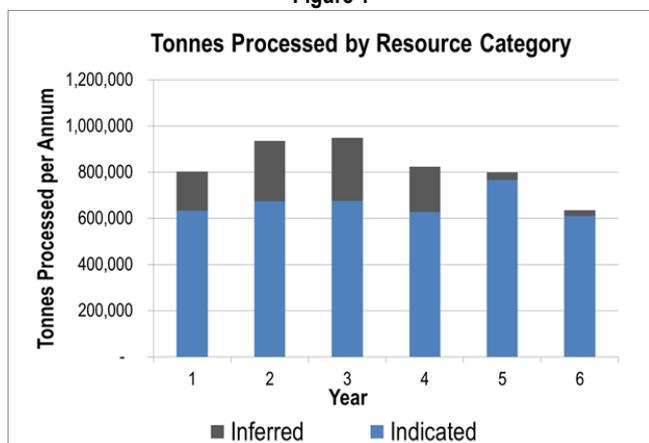
Gum Creek Gold Project Scoping Study - Clarification

The Company wishes to provide clarification on the Gum Creek Gold Project Free Milling Scoping Study announced on Friday, 18 March 2016.

Sequencing of Inferred Mineral Resources

As the outcome of the Gum Creek Free Milling Scoping Study is partially supported by Inferred Mineral Resources, in addition to Figure 3 (Mill Feed) on page 5 of the announcement dated 18 March 2016, Figure 1 below shows the proportion and relative sequencing of the combined Swan, Swift and Howards Indicated and Inferred Resources over the initial Project life of approximately six years.

Figure 1



Mining Inventory

In relation to the use of the term "Mining Inventory", the Company wishes to advise that:

- the Mining Inventory includes Inferred Resources and is not an Ore Reserve and will not be classified as such until such time as a pre-feasibility study has been undertaken; and
- the term has been used in the announcement to refer to Mineral Resources to which reasonable assumptions relating to Modifying Factors in mining of the Swan, Swift and Howards open pit Resources, as detailed in Appendix 1 of the announcement dated 18 March 2016, have been applied.

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 in 2005 purchased and restarted the Lanfranchi Nickel Project, near Kambalda. In FY2014, the Company produced a record 22,256t contained nickel and produced 19,301t contained nickel in FY2015. The Lanfranchi Project was placed on care and maintenance in November 2015. The Company has advised that it intends to place the Savannah Project onto care and maintenance in May 2016 pending an improvement in the price of 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 Gum Creek 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, in which Rio Tinto is earning 70% in the project by spending up to C\$20 million over five years.

Panoramic has been a consistent dividend payer and has paid out a total of \$114.3 million in fully franked dividends since 2008. At 31 December 2015, Panoramic had \$25 million in cash and no bank debt.

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.