

30 January 2020

Barminco Appointed Preferred Underground Mining Contractor

Highlights

- Barminco awarded preferred underground contractor status
- Detailed mobilisation plan in conjunction with finalisation of contract terms to enable transition to contract mining by end of March 2020 quarter
- Expected to deliver significant operational efficiencies and drive volumes to targeted levels

Panoramic Resources Limited (ASX: PAN, “Panoramic” or the “Company”) is pleased to provide the following update on the process to transition to contract underground mining at the Company’s Savannah Nickel Mine (as foreshadowed in Panoramic ASX announcement dated 4 December 2019, “*Savannah North Update and Operational Review Outcomes*”).

Panoramic commenced a tender process with several Tier 1 mining contractors in early December 2019. This has now been progressed with the award of preferred underground contractor status to Barminco Limited (“**Barminco**”).

Barminco, a subsidiary of ASX200 diversified global mining services group, Perenti Global Ltd (ASX: PRN), is one of the world’s largest hard rock underground mining services companies. It has a proven track record of rapid mobilisation and consistent delivery of operational performance.

Panoramic has signed a letter of intent with Barminco and is now working intensively with Barminco on finalisation of contract terms. This process is being run in conjunction with the development of a detailed mobilisation and implementation plan. Execution is expected to deliver mobilisation and transition to contract mining at Savannah by the end of the March 2020 quarter, all utilising Barminco best-practice operating systems and processes.

The newer mining fleet to be supplied by Barminco is expected to deliver enhanced equipment reliability. Together with Barminco’s proven expertise and operating systems, this is expected to significantly increase operational efficiencies and drive production volumes to targeted levels.

Barminco has committed to employing the majority of the existing Panoramic underground mining and maintenance workforce at Savannah.

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Panoramic Managing Director and CEO, Victor Rajasooriar, commented: *“The appointment of leading underground mining services provider, Barmenco, as preferred contractor at Savannah is the result of a rapid but comprehensive external engagement and tender process. We now look forward to working intensively with Barmenco in transitioning Savannah to contract operations and progressively lifting underground production rates in a safe and sustainable manner.”*

This ASX release was authorised on behalf of the Panoramic Board by:

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