

ASX ANNOUNCEMENT

3 August 2020

Savannah Development and Exploration Update

KEY POINTS

- Mining contractor Barmingo has safely mobilised a full crew and equipment to the Savannah site
- First cut completed of the 468m access drive to complete ventilation works for Savannah North
- Completion of the access drive is expected in October 2020 with Savannah North ventilation works expected to be completed around the end of the March quarter 2021
- Exploration activities at Savannah will recommence next month, targeting potential extensions of the Savannah North upper zone and new mineralised intrusions within the project area
- To coincide with the resumption of development works, site and corporate office workforce rosters and salaries have returned to normal levels following necessary amendments imposed in April 2020
- Salaries and fees for senior management and the Board have also returned to pre-suspension levels

Panoramic Resources Limited (ASX: PAN) ("Panoramic" or the "Company") is pleased to provide an update on underground development and exploration activities at the Savannah Nickel Operation ("Savannah") in Western Australia.

Savannah North Ventilation Works

Mining contractor Barmingo has safely mobilised to the Savannah and commenced completion of a 468m horizontal underground development drive (Figure 1). The drive will connect with the vertical ventilation shaft to complete Fresh Air Raise (FAR 3) at Savannah North.

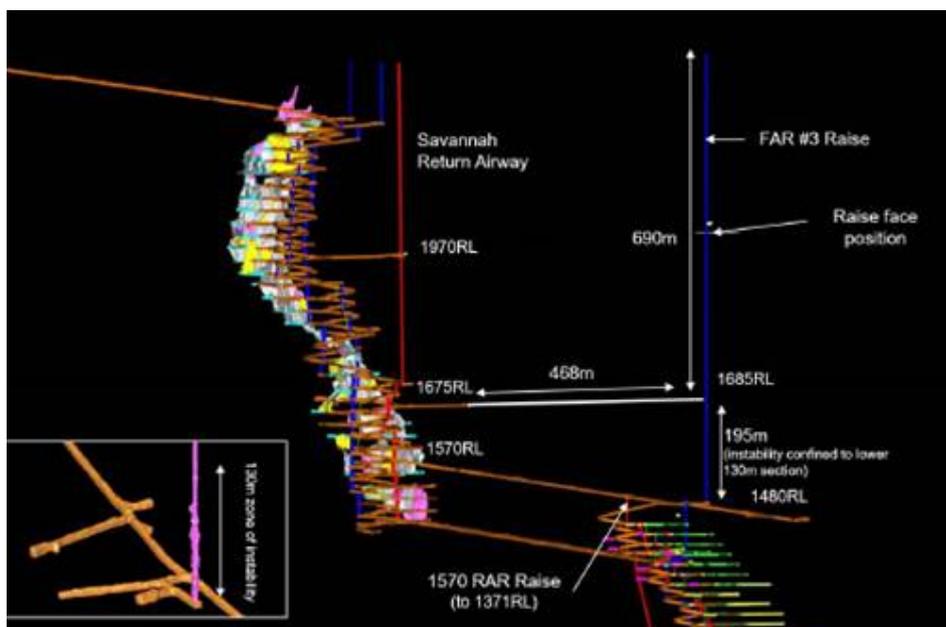


Figure 1: Savannah North Proposed FAR 3 works

The first cut was completed by Barmingo on Saturday 1 August. Lateral development will continue until around October 2020 when it is scheduled to reach the ventilation raise. At this point, RUC Mining will be tasked with the FAR 3 raiseboring which is expected to be completed around the end of the March 2021 quarter, whilst Barmingo will focus on developing additional production levels in Savannah North during the same period.

Completion of FAR 3 will provide sufficient ventilation to support future full-scale mining operations from Savannah North in line with the Mine Plan released in late July (refer to ASX announcement 31 July 2020). Completion of FAR 3 will be funded from existing cash reserves.



Figure 2: Underground development crew including Registered Mining Manager Bryan Watson (fifth from the left)

Upcoming exploration activity

Planning for this next phase of exploration at Savannah is well underway and will be completed in the coming weeks. On ground activities are expected to commence in September 2020. The Company has an exploration budget of \$1 million for FY2021, with the majority of expenditure scheduled for the current half. There is potential to increase this budget in the second half from existing cash reserves, dependent on results.

A combination of deep surface diamond drilling and deep penetrating electromagnetic surveying will be used to explore for nickel sulphide mineralisation within the untested Oxide and Norton mafic-ultramafic intrusions (Figure 3). In July 2020, the company completed the mapping of the Stoney Creek intrusion within the Savannah Mine Complex with prospectivity assessments still ongoing. This surface-based phase of exploration is scheduled to commence in September 2020 and is expected to take up to three months to complete.

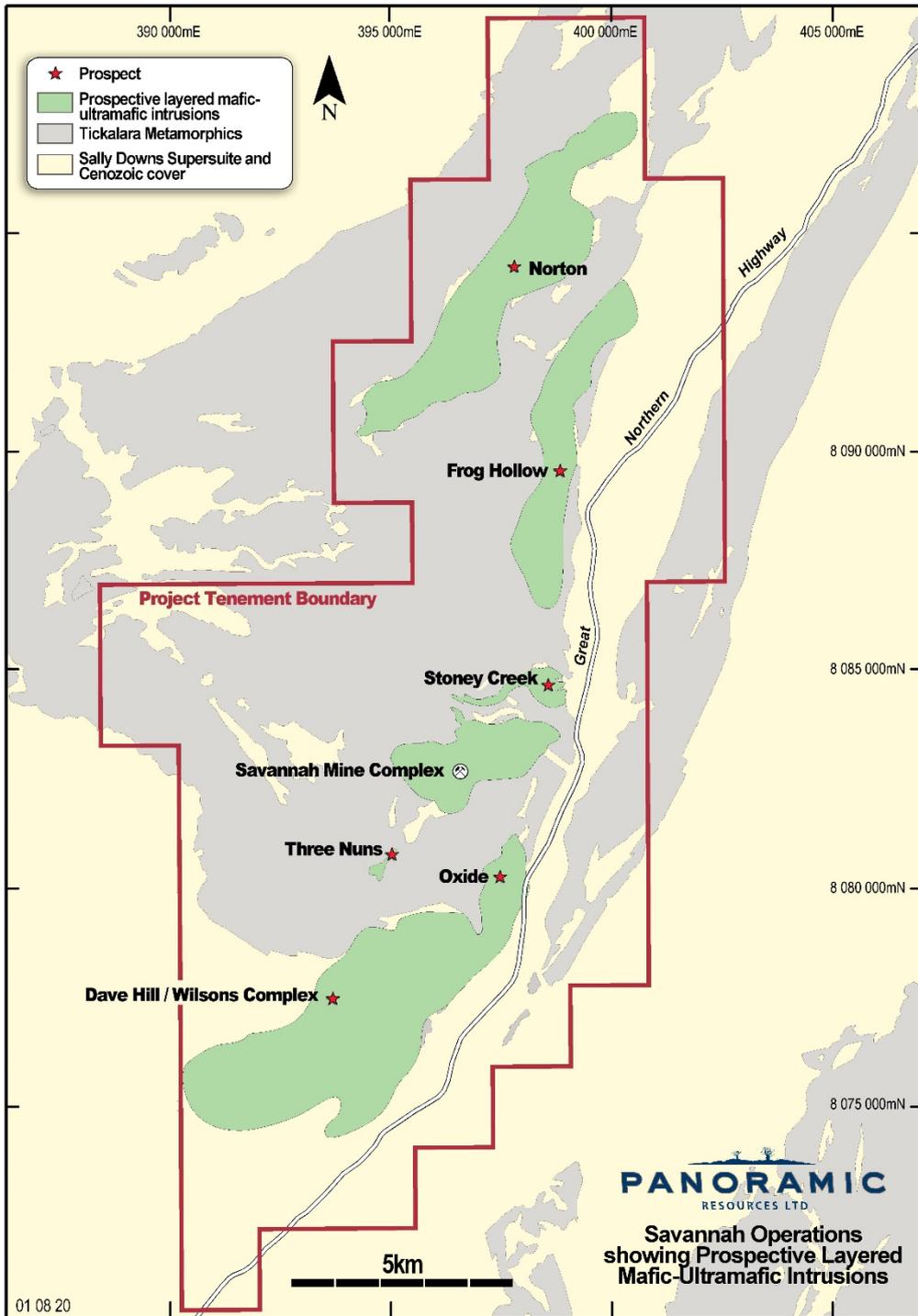


Figure 3: Savannah regional project plan showing nickel prospective layered mafic-ultramafic intrusions

An underground drill program from the 1570 drill drive at Savannah North will be conducted to test an area of very strong down hole electromagnetic (DHEM) anomalies interpreted to reflect the westward continuation of the Savannah North Upper Zone resource (Figure 4). The modelled DHEM anomalies were previously identified by surface drill holes SMD164, 167 and 167A and DHEM surveying. The underground drill program is scheduled to commence in early October 2020 with an expected duration of three weeks.

About Panoramic:

Panoramic Resources Limited (**ASX code: PAN**) is a Western Australian company which owns the Savannah Nickel Project in the East Kimberley. Panoramic successfully commissioned and operated the Project from 2004 until 2016 before the mine was placed on care and maintenance. Following the discovery of the Savannah North orebody, the mine was recommissioned in 2018 before operations were temporarily suspended in 2020.

Panoramic has completed an updated Mine Plan for Savannah in July 2020 which has outlined an attractive near-term nickel sulphide mine restart opportunity. Underground pre-production development works at Savannah recommenced in August 2020. Completion of these works is expected to leave the Project in a position to be capable of restarting operations in mid-2021.