

ASX ANNOUNCEMENT

22 October 2020

Savannah Project – Exploration Update

HIGHLIGHTS

- Surface stratigraphic diamond drill holes targeting a previously untested EM anomaly near the Northern Ultramafic Granulite and Oxide and Stoney Creek intrusion targets at Savannah have been completed.
- Downhole EM surveying has identified a series of off-hole conductors located directly east of the Northern Ultramafic Granulite which is along trend from Savannah and Savannah North.
- This represents a high priority greenfield drill target for the March quarter 2021 following the wet season.
- Downhole EM surveys of the Oxide and Stoney Creek drill holes will be completed in the coming weeks.
- Underground drilling has now commenced at Savannah to target a series of very strong electromagnetic anomalies interpreted as the potential westward projection of the Savannah North Upper Zone orebody.
- All targets being tested leverage the extensive mining and processing infrastructure in place at Savannah.

Panoramic Resources Limited (ASX: PAN) (**Panoramic or the Company**) is pleased to provide an update on the progress of surface and underground exploration activities currently underway at the Savannah Nickel Project. Details of the drill holes referred to in this announcement are summarised in Table 1 in Appendix 1. All relevant JORC 2012 Compliance Tables are provided in Appendix 2.

Commenting on the exploration progress, Managing Director & CEO, Victor Rajasooriar said:

“Since we resumed exploration last month, we’ve been successful in identifying a large new cluster of EM conductors directly along trend of the Savannah and Savannah North deposits. This has the potential to represent a new zone of sulphide mineralisation however we won’t be able to answer this question until we’re able to complete follow-up drilling in the March quarter 2021.

“We now hope to have further success as underground diamond drilling commences to test a large, near-mine EM conductor interpreted to reflect the westward continuation of the Savannah North Upper Zone orebody.

“These targets all have the capacity to both lengthen and enhance the Savannah Mine Plan as we progress underground development to put the asset in a position to consider a rapid resumption of nickel, copper and cobalt production by mid-2021.”

Exploration Programs

Surface – Regional Targets

The principal aim of the regional surface exploration now underway at Savannah is to complete preliminary nickel prospectivity assessments of the previously untested Oxide and Stoney Creek intrusions, as well as complete an initial drill test of an historical untested EM anomaly located between the Northern Ultramafic Granulite and Anomaly A (Figure 1). To achieve these aims the surface exploration program has been designed to use a combination of diamond drilling plus down hole electromagnetic (DHEM), moving loop electromagnetic (MLEM) and fixed receiver electromagnetic (FREM) survey techniques.

A new drill hole (SMD189) was collared within the Northern Ultramafic Granulite which is located along trend of the Savannah and Savannah North deposits to the northwest. The drill hole was designed to target an historical untested EM anomaly east of the granulite which was identified in a DHEM survey of the single historic drill hole (SMP179) completed in the area in 2012.

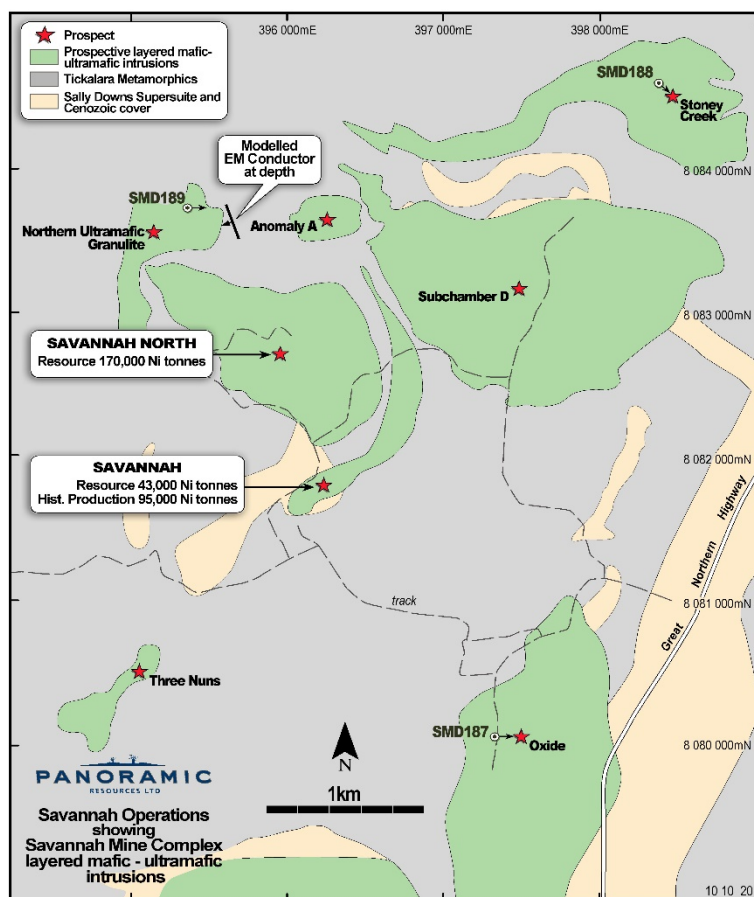
After exiting the Northern Ultramafic Granulite at 172m, drill hole SMD189 encountered a broad sequence of intercalated mafic granulite dykes and Tickalara Metamorphics. Apart from minor iron-rich sulphides intersected within a mafic granulite dyke at a depth of 440m, no evidence for the source of the historic DHEM anomaly was apparent at the targeted depth of 550m. The hole was terminated in Tickalara Metamorphics at 628.3m.

A DHEM survey of SMD189 identified a highly conductive source below and to the right of the drill hole (Figure 2). This data has been jointly interpreted with the historic DHEM data which resulted in a new interpretation.

This new interpretation suggests SMD189 passed subparallel to a series of bedrock conductor(s) located between 300m and 500m down hole, striking at 320° and dipping 70° to SW. The source is modelled to be located to the right of the hole, starting above and migrating. The conductor(s) increase in conductivity thickness with depth. The hole finished approaching a poorly constrained anomalous source possibly located below the trace of the hole (not shown).

Further drill testing of this target will be planned and will be conducted in the March quarter 2021 following the conclusion of the current Kimberley wet season.

Figure 1 – Savannah Plan showing prospective layered mafic-ultramafic intrusions and drill hole locations



Drill holes have also been completed at Oxide (SMD187) and Stoney Creek (SMD188).

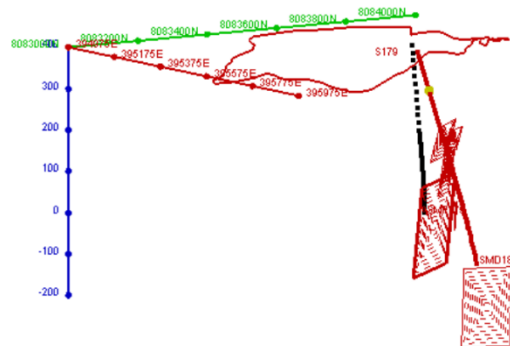
At Oxide, SMD187 encountered a series of mafic to ultramafic lithologies prior to exiting the intrusion at a depth of 404m. The hole was terminated at 625.1m within an intercalated sequence of Tickalara Metamorphics and aplitic dykes. No significant magmatic nickel sulphide mineralisation was intersected by the drill hole.

At Stoney Creek, SMD188, encountered a consistent gabbroic rock type prior to exiting the intrusion at a depth of 392m and terminating in Tickalara Metamorphics at 529.4m. No significant magmatic nickel sulphide mineralisation was intersected by the drill hole.

Downhole EM surveys of SMD187 and SMD188 are currently being completed.

Due to the delayed arrival of contractors to site and the early onset of the northern wet season, the Company's consultant geophysicist Newexco Exploration has recommended Panoramic postpone aspects of the planned geophysical program at Savannah (MLEM and FREM) until after the wet season when atmospheric conditions will be more amenable to surface EM surveying.

Figure 2 combined SMP179, SMD189 interpretation looking NW toward 320 degrees



Underground – Near-mine Targets

An underground diamond drill rig has been mobilised to site and has commenced drill hole KUD1733 to test a series of strong DHEM anomalies located immediately to the west of the Savannah North orebody (Figures 3 and 4).

The DHEM anomalies have been modelled and are interpreted to reflect the westward continuation of the Savannah North Upper Zone orebody. The presence of these large and overlapping DHEM responses is strong evidence for the potential of the orebody in this area to host additional resources of semi-massive to massive sulphide mineralisation. If confirmed, further drilling could result in a significant increase the Savannah North Mineral Resource and enhance the Savannah Mine Plan.

The drill hole has been collared from the 1570 Savannah North drill drive and designed to target a point at 5350mE, 2650mN between 850 – 870mRL, which theoretically represents the confluence of the series of modelled EM plates in that area. The designed length of the hole is approximately 900m, with a target intersection depth at approximately 800m.

First assay results from KUD1733 are expected late in the December quarter 2020.

Figure 3 – Underground drill rig operating in the Savannah North 1570 Drill Drive

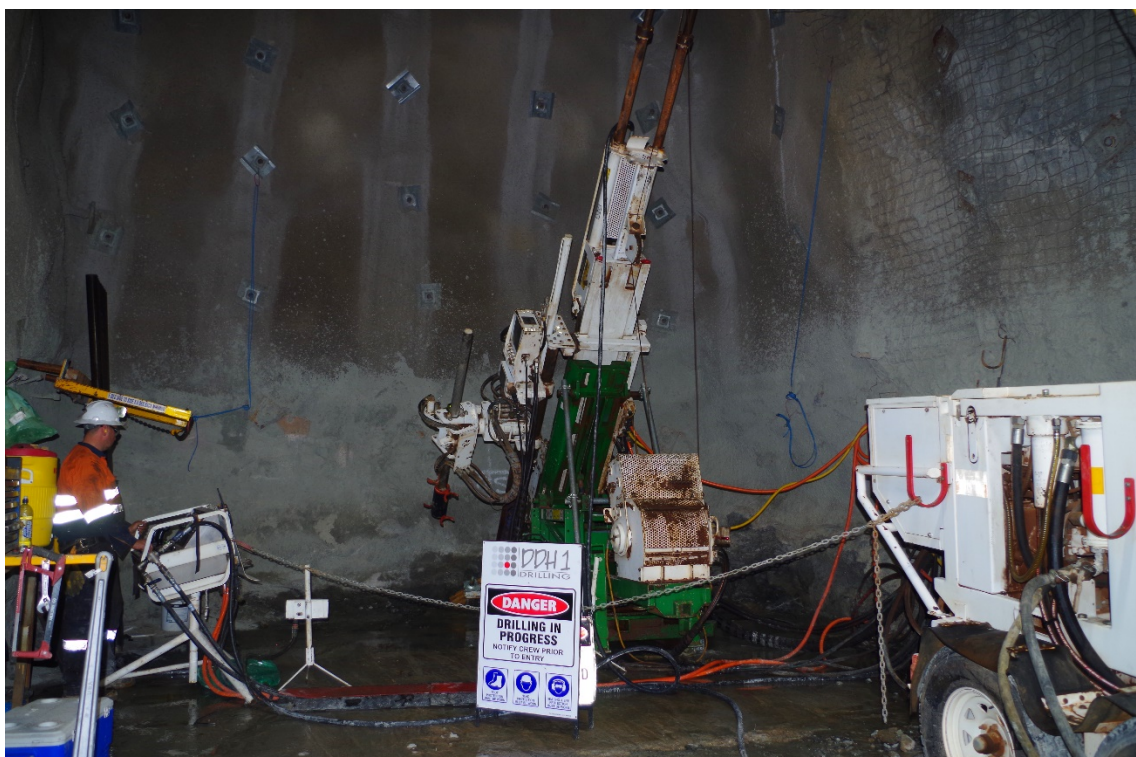
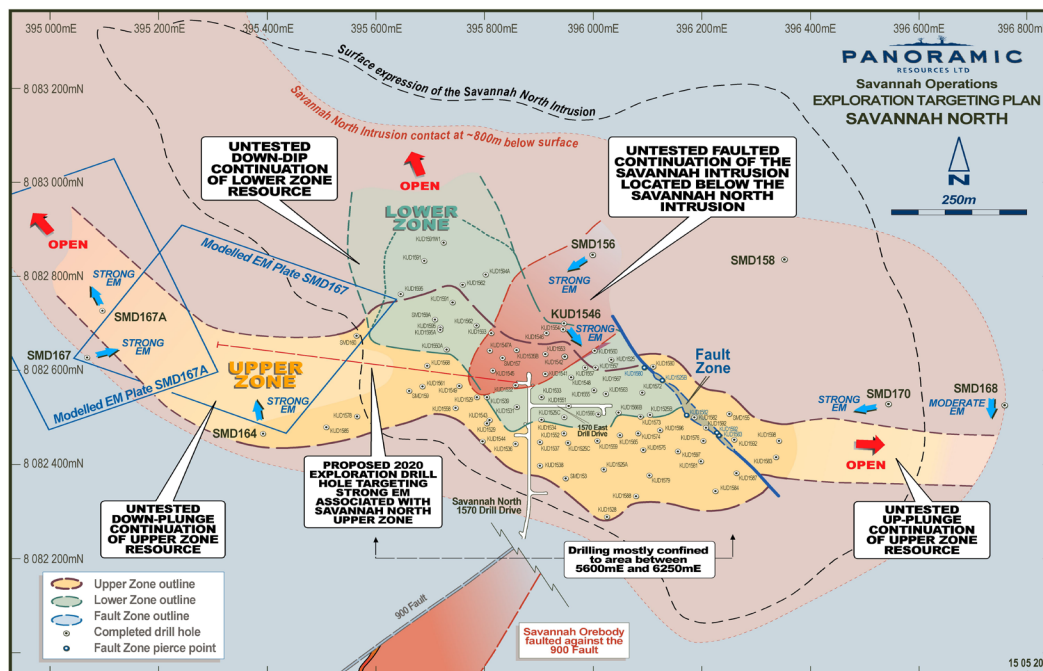


Figure 4 –Savannah North Project Plan showing planned drill hole KUD1733 to test modelled EM anomalies associated with the Upper Zone orebody



Competent Person

The information in this release that relates to Exploration Targets at Savannah is based on information compiled by John Hicks. Mr Hicks is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a full-time employee and shareholder of Panoramic Resources Limited. Mr Hicks also holds performance rights to shares in relation to Panoramic Resources Limited.

The aforementioned has sufficient experience that is relevant to the style of mineralisation and type of target/deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hicks consents to the inclusion in the release of the matters based on the information in the form and context in which it appears.

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

Victor Rajasooriar, Managing Director and CEO

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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 being temporarily suspended in 2020.

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

Appendix 1

Table 1 - Summary of Drilling Data

2020 Savannah Exploration Program – Tabulation of Drill Hole Data and Assay Results

| Hole | East (m) | North (m) | RL (m) | Dip (°) | Azi (°) | EOH (m) | From (m) | To (m) | Intercept (Ni) | Cu (%) | Co (%) |
|--------|----------|-----------|--------|---------|---------|---------|----------|--------|----------------|--------|--------|
| SMD187 | 397539 | 8080055 | 320.2 | -80 | 090 | 625.1 | | | Not sampled | | |
| SMD188 | 398407 | 8084578 | 330.6 | -80 | 135 | 529.4 | | | Not Sampled | | |
| SMD189 | 395347 | 8083737 | 402.7 | -60 | 086 | 628.3 | | | Not Sampled | | |

Notes:

The holes reported above are broad-spaced stratigraphic surface diamond exploration holes drilled as platforms for planned geophysical surveys. No significant mineralisation was intersected by the holes, consequently they were not sampled.

Appendix 2 – 2012 JORC Disclosures

Savannah Project - Table 1, Section 1 - Sampling Techniques and Data

| Criteria | Comments |
|--|--|
| Sampling techniques | <ul style="list-style-type: none"> Exploration holes about Savannah are typically diamond cored holes, sampled according to lithological/geological zones of interest. All diamond core is geologically logged with samples, if collected, typically between 0.2 metre to 1 metre long defined by geological contacts. |
| Drilling techniques | <ul style="list-style-type: none"> Diamond coring |
| Drill sample recovery | <ul style="list-style-type: none"> Diamond core recoveries are logged and recorded in the database. Overall recoveries are typically >99%. |
| Logging | <ul style="list-style-type: none"> All diamond holes are geologically logged in full. Geotechnical logging is also carried out for recovery and RQD. Recorded core logging attributes include lithology, colour, mineralisation, structural and other features. All core is photographed. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> Analytical core samples, if collected are dominantly sawn half NQ2 samples. All core sampling and sample preparation follow industry best practice. Sample preparation includes pulverising to 90% passing 75 µm followed by a total 4 acid digest with an ICP OES finish. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> Not applicable. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> Not applicable. |
| Location of data points | <ul style="list-style-type: none"> Diamond drill hole collars pertaining to this announcement were initially positioned using a hand-held GPS and subsequently accurately resurveyed upon completion using differential GPS. Coordinates are expressed in MGA GDA94 Zone 52 coordinates. RL equals AHD (m). |
| Data spacing and distribution | <ul style="list-style-type: none"> Exploration drill holes are spaced on a geological basis as opposed to a nominal drill hole spacing. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Not applicable. |
| Sample security | <ul style="list-style-type: none"> Not applicable. |
| Audits or reviews | <ul style="list-style-type: none"> Not applicable. |

2018 Savannah Exploration Program - Table 1, Section 2 - Reporting of Exploration Results

| Criteria | Comments |
|---|---|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> The Savannah Project, incorporating the Savannah and the Savannah North deposits, is secured by five contiguous Mining Licences, ML's 80/179 to 80/183 inclusive. Surrounding the Mining Licences, Panoramic has several exploration tenements. All tenure is current and in good standing. Panoramic has the right to explore for all commodities within the mining and exploration tenements. |
| Exploration done by other parties | <ul style="list-style-type: none"> Since commissioning the Savannah Nickel Mine in 2004, Panoramic has conducted all recent exploration on the mine and surrounding exploration tenements. |
| Geology | <ul style="list-style-type: none"> The Savannah and Savannah North Project deposits are Ni-Cu-Co rich magmatic sulphide deposits developed within palaeo-proterozoic mafic/ultramafic magma chonoliths. The Ni-Cu-Co rich massive sulphide mineralisation typically occurs as "classic" magmatic breccias developed about the more primitive, MgO rich basal parts of the chonoliths. Panoramic conducts exploration for similar style mineralisation through-out the East Kimberley region of Western Australia. |
| Drill hole Information | <ul style="list-style-type: none"> Exploration conducted on the mine leases adopts the mine grid system, which is a "4 digit" truncated MGA grid. Conversion from local to MGA GDA94 Zone 52 is calculated by applying truncated factor to local coords: E: +390000, N: +8080000. RL equals AHD + 2,000m Exploration conducted outside the immediate mine grid area utilises the MGA GDA94 Zone 52 coordinate system. For all hole details pertaining to this release including collar setup details see the Tabulation of Drill Hole Data table above in Appendix 1. DH surveys are routinely performed using Axis Champ gyro tools. |
| Data aggregation methods | <ul style="list-style-type: none"> Not applicable |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> Not applicable. |
| Diagrams | <ul style="list-style-type: none"> Based on the level of data currently available, it is Panoramic's view that a simplified plan view showing the location of the drilling is appropriate. |
| Balanced reporting | <ul style="list-style-type: none"> Not applicable. |
| Other substantive exploration data | <ul style="list-style-type: none"> No other exploration data is considered substantive for inclusion at this stage. |
| Further work | <ul style="list-style-type: none"> The exploration results reported herein form part of an ongoing exploration program by Panoramic to explore for Savannah style mineralisation outside of the Savannah and Savannah North mine areas. Further disclosures will be made when additional information becomes available. |