

22 November 2019

Update on IGO Offer and Due Diligence

Highlights

- Operational review continuing
- Due diligence access provided
- Take No Action in relation to the Offer

Details

Panoramic Resources Limited (ASX: PAN “Panoramic” or the “Company”) provides the following update in relation to the unsolicited, highly conditional off-market takeover bid announced by Independence Group NL (ASX: IGO) (“IGO”) on 4 November 2019 (“Offer”).

As previously announced, the Panoramic Board is committed to exploring all options that are in the best interests of, and maximise value for, all Panoramic shareholders.

The Panoramic Board is focussed on delivering the full potential of the Savannah Project. First development ore was produced from the Savannah North deposit this week and ore production is expected to ramp up over the coming quarters. An Operational Review is currently underway targeting an improved operational performance at Savannah. Outcomes of the Operational Review, including updated production guidance for FY2020, are due within the coming two weeks (*refer to the Company’s ASX announcement of 14 November 2019*).

In relation to the Offer, the Company advises that it has established a data room and will provide a number of parties, including IGO, with information to conduct due diligence, to allow them the opportunity to put forward alternative proposals which have the potential to maximise value for Panoramic shareholders (“**Alternative Proposals**”). Such Alternative Proposals may or may not entail a control transaction.

If any Alternative Proposals are received, they will be carefully assessed by the Board against the terms of the Offer and the expected standalone value available to shareholders through the continued development and mining of Savannah North.

The Panoramic Board notes that there is no certainty that any Alternative Proposal will be put forward, what the terms of any Alternative Proposal would be, or whether there will be a recommendation in favour of any Alternative Proposal by the Panoramic Board.

Panoramic reiterates its previous advice that Panoramic shareholders **Take No Action** in relation to the Offer at this stage and will keep shareholders informed of further developments.

Directors

PETER SULLIVAN

Non-Executive Chairman

VICTOR RAJASOORAR

Managing Director & CEO

NICHOLAS CERNOTTA

Non-Executive Director

REBECCA HAYWARD

Non-Executive Director

GILLIAN SWABY

Non-Executive Director

TREVOR ETON

CFO / Company Secretary

Information on the Offer can be found on the Panoramic website and a shareholder information line has been established which shareholders are directed to contact with any inquiries. The Panoramic shareholder information line is open from 9:00am to 5:00pm AEDT and can be contacted on the following telephone numbers:

- 1300 362 398; or
- +61 2 8355 1004

For further information contact:

Victor Rajasooriar, Managing Director/CEO
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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 and Savannah Projects were placed on care and maintenance in November 2015 and May 2016 respectively pending a sustained recovery in the nickel price.

After delivering an updated feasibility study on the Savannah Project in October 2017, securing an offtake customer and putting in place project financing in July 2018, the Company made the decision to restart operations at Savannah with first concentrate shipped from Wyndham on 13 February 2019. The Lanfranchi Project was sold in December 2018 for a total cash consideration of \$15.1 million, providing additional financial support for the re-commissioning of the Savannah Project.

Apart from the nickel, copper and cobalt inventory at Savannah, the Company has a diversified resource base including platinum group metals (PGM) and gold. 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, which is in the process of being sold to Benton Resources for C\$9 million. Following the ASX listing of Horizon Gold Limited (ASX Code: HRN) in December 2016, the Company's interest in gold is an indirect investment in the Gum Creek Gold Project located near Wiluna through its 51% shareholding in Horizon.