

6 January 2020

SALE OF THUNDER BAY NORTH PROJECT – SHARE PURCHASE AGREEMENT SIGNED

Panoramic Resources Limited (“**Panoramic**” or the “**Company**”) is pleased to advise that further to previous announcements made by the Company on 2 July 2019, 3 September 2019 and most recently 4 December 2019, the Company’s wholly owned subsidiary Magma Metals Pty Ltd (“**Magma**”) and Regency Gold Corp. (TSXV:RAU.H) (“**Regency**”) have signed a Share Purchase Agreement (“**SPA**”) under which Magma has agreed to sell to Regency all of the shares in PAN PGMs Canada Limited (“**Panoramic PGMs**”).

Panoramic PGMs is the 100% owner of the Thunder Bay North PGM Project (“**Project**”) situated in Northern Ontario, Canada.

The SPA constitutes the Definitive Agreement that has been referred to in previous announcements.

Panoramic and Benton Resources Inc. of Canada (TSX-V:BEX) (“**Benton**”) have agreed to terminate the Letter Agreement, as amended, as referred to in earlier announcements. Panoramic understands that Benton has assigned its rights under the Letter Agreement, as amended, to Regency.

The terms of the sale have not changed materially from those previously announced.

The purchase price remains at C\$9.0 million in cash payable as follows:

- A deposit of C\$250,000 on signing the SPA;
- C\$4,250,000 on completion of the sale – C\$2,250,000 will be held in trust by Panoramic’s Canadian lawyers pending receipt of a Clearance Certificate as required under the Income Tax Act (Canada);
- C\$1,500,000 on the first anniversary of completion of the sale;
- C\$1,500,000 on the second anniversary of completion of the sale;
- C\$1,500,000 on the third anniversary of completion of the sale.

Both Regency and PAN PGM’s will grant first ranking charges over the shares in PAN PGM’s and the Project in order to secure the deferred payments.

Directors

PETER SULLIVAN

Non-Executive Chairman

VICTOR RAJASOORAR

Managing Director & CEO

NICHOLAS CERNOTTA

Lead Independent
Non-Executive Director

REBECCA HAYWARD

Non-Executive Director

GILLIAN SWABY

Non-Executive Director

MICHAEL BALL

CFO

TREVOR ETON

Company Secretary

Completion under the SPA remains subject to various conditions precedent, including:

- Regency having secured sufficient financing, by way of debt or equity, to enable it to pay that part of the purchase price payable on completion (C\$4,250,000);
- Regency having received any shareholder, regulatory or governmental approvals needed for completion of the sale.

There are other conditions precedent which are reasonably standard for a transaction of this nature. In the event that all of the conditions precedent have not been satisfied or waived within 150 days of the date of the SPA, the SPA will terminate unless the parties otherwise agree.

This ASX release was authorised on behalf of the Panoramic Board by: Victor Rajasooriar, Managing Director & CEO

For further information contact:

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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 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.