

## Fully Underwritten Renounceable Entitlement Offer

### Key Details

- Fully underwritten 1 for 7 pro-rata renounceable entitlement offer to raise approximately \$20.9 million (before costs)
- Offer price of 34 cents per New Share represents a 11.7% discount to last closing share price of 38.5 cents
- Rights may be traded on ASX from Wednesday, 31 January 2018 to Wednesday, 14 February 2018
- Funds raised to be primarily used on critical-path pre-production activities to reduce the lead time for a restart of the Savannah Project, exploration at Savannah, general corporate expenses and to provide working capital

Panoramic Resources Limited (**ASX: PAN, Panoramic or Company**) is pleased to announce that the Company is offering eligible shareholders the opportunity to acquire fully paid ordinary shares in the Company (**Shares**) through a fully underwritten pro-rata renounceable entitlement issue of one (1) Share for every seven (7) Shares (**the Offer**) held by eligible shareholders on the Record Date, which under the indicative timetable is Thursday, 1 February 2018, at an issue price of 34 cents per New Share to raise approximately \$20.9 million (before costs).

The Offer price of 34 cents per New Share represents:

- a discount of 11.7% to the closing price of 38.5 cents on 22 January 2018;
- a discount of 17.4% to the VWAP for the 10 trading days up to and including 22 January 2018; and
- a discount of 10.4% to the theoretical ex-rights price (TERP).

### Entitlement Offer Rationale

Following the completion of the October 2017 Updated Savannah Feasibility Study, the Company is moving toward a decision to restart mining operations at Savannah. In order to reduce the lead time for a restart of Savannah, the Company believes it is prudent to commence a number of critical-path pre-production activities prior to a formal Board decision to restart operations. A decision to restart is contingent on a number of factors, including a sustained recovery in the nickel price, concluding offtake contracts and finalising appropriate financing.

Funds from the Offer are also proposed to be used to conduct additional exploration at Savannah, care and maintenance costs, other project expenditure and corporate costs.

The Company is undertaking the equity raising by way of an Entitlement Offer so as to provide all Eligible Shareholders with the opportunity to participate and retain exposure to the Company's portfolio of nickel, copper, cobalt, platinum group metals (PGM) assets and other listed investments.

## Eligible Shareholders and Sale of Rights

Entitlements (**Entitlements** or **Rights**) may only be exercised by Eligible Shareholders being persons with a registered address on the Company's Share Register in Australia, New Zealand, Bermuda, Germany, Norway, Hong Kong, Luxembourg, Switzerland, Singapore or the United Kingdom and "accredited investors" in the United States. Ineligible shareholders are all those shareholders with registered addresses outside these jurisdictions.

Entitlements may be sold on ASX from Wednesday, 31 January 2018 to Wednesday, 14 February 2018. It is the responsibility of purchasers of Rights to inform themselves of the eligibility criteria for the exercise of Rights. If holders of Rights after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Rights.

The Company's appointed nominee, Euroz Securities Limited, will sell the Rights of Ineligible Shareholders, with the net proceeds, if any, distributed to the Ineligible Shareholders.

## Top Up Facility

As part of the Offer, eligible shareholders may also apply for additional new Shares in excess of their Offer entitlements at the same issue price of 34 cents per new Share (**Top Up Facility**). The Top Up Facility provides an opportunity for eligible shareholders to apply for additional Shares to top up their holdings (**Top Up Shares**). Under the Top Up Facility there is a cap such that the maximum number of new Shares that will potentially be available to each eligible shareholder is 50% more than their Offer entitlements. There is no guarantee regarding the number of new Shares (if any) that will be available to shareholders under the Top Up Facility, in addition to their Offer entitlements under the Offer. This will depend on how many Offer entitlements are taken up. If all Offer entitlements are taken up under the Offer then there will be no Top Up Shares available. In the event that demand for new Shares under the Top Up Facility exceeds the number of new Shares that are available then there will be a scale back on a pro rata basis.

## Underwriting

The Offer is fully underwritten by Euroz Securities Limited on the terms and conditions of an Underwriting Agreement signed with the Company. Euroz will be paid an underwriting fee of 4.25% of the total amount to be raised.

## Use of Funds

Funds raised from the Offer (*Table 1*) will be used on various critical-path pre-production activities that will reduce the lead time for a restart of the Savannah Project. The balance of funds will be used on other nickel exploration targets and for general corporate and working capital purposes.

**Table 1: Use of Funds\***

		\$ million (approximately)
Uses*	<ul style="list-style-type: none"> <li>▪ Activities to progress Savannah towards a restart, including:                             <ul style="list-style-type: none"> <li>▪ Commence process plant refurbishment;</li> <li>▪ Commence the Savannah North primary ventilation project;</li> <li>▪ Order long lead items;</li> <li>▪ Advance offtake contract(s) and financing arrangements;</li> <li>▪ Tendering for major contracts; and</li> <li>▪ General site care and maintenance costs.</li> </ul> </li> </ul>	Up to \$12.9M
	<ul style="list-style-type: none"> <li>▪ Exploration and business development initiatives, which may include:                             <ul style="list-style-type: none"> <li>▪ Regional drilling and EM surveys on other intrusive bodies in the Savannah Project area; and</li> <li>▪ Studies investigating opportunities to apply new or alternative technologies to enhance product value, improve productivity, and reduce costs.</li> </ul> </li> </ul>	Up to \$4.0M
	<ul style="list-style-type: none"> <li>▪ General corporate expenses, working capital and Offer costs.</li> </ul>	Up to \$4.0M

\*The Company reserves the right to change its intentions in relation to the use of funds

## Indicative Timetable

Table 2 outlines the key dates for the Offer.

**Table 2: Key Dates of the Offer**

	Event	Date
<b>Entitlement Offer dates and timeline</b>	<ul style="list-style-type: none"> <li>▪ Announcement of the Offer</li> <li>▪ Offer Booklet, Investor Presentation, Appendix 3B and Cleansing Statement lodged with the ASX</li> </ul>	24 January 2018
	<ul style="list-style-type: none"> <li>▪ Security holders sent Appendix 3B information</li> </ul>	25 January 2018
	<ul style="list-style-type: none"> <li>▪ Shares quoted on an "Ex" basis (rights trading commences)</li> </ul>	31 January 2018
	<ul style="list-style-type: none"> <li>▪ Record Date</li> </ul>	1 February 2018
	<ul style="list-style-type: none"> <li>▪ Offer Booklet, Investor Presentation and acceptance forms despatched or emailed to Eligible Shareholders</li> </ul>	6 February 2018
	<ul style="list-style-type: none"> <li>▪ Rights trading ends</li> </ul>	14 February 2018
	<ul style="list-style-type: none"> <li>▪ Last day to extend offer closing date</li> </ul>	16 February 2018
	<ul style="list-style-type: none"> <li>▪ Closing date (5.00pm Perth and WST)</li> </ul>	21 February 2018
	<ul style="list-style-type: none"> <li>▪ Notify ASX of Offer Shortfall</li> </ul>	23 February 2018
	<ul style="list-style-type: none"> <li>▪ Issue date</li> </ul>	1 March 2018

Notes to Table 2

Western Standard Time (WST). The Entitlement Offer Timetable is subject to variation. The Company reserves the right to alter the timetable at its discretion and without notice, subject to ASX Listing Rules and the Corporations Act and other applicable law. In particular, Panoramic in conjunction with the Underwriter reserves the right to either generally or in particular cases extend the closing date of the Entitlement Offer, to accept late or to withdraw the Entitlement Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

An Appendix 3B for the Shares to be issued pursuant to the Offer, Offer Booklet, Investor Presentation and Cleansing Statement follows this announcement.

For those shareholders who have elected to receive documents from the Company via email, they will receive the Offer documents and their personal entitlement and acceptance form directly to their nominated email address. As a consequence, these shareholders will not be sent a hard copy of the documents by mail.

For further information, please 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.

Following the successful development of the nickel projects, the Company diversified its resource base to include 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, in which Rio Tinto is earning 70% by spending up to C\$20 million over five years. Following the ASX listing of Horizon Gold Limited (ASX Code: HRN) in December 2016, the Company's interest in gold consists of an indirect investment in the Gum Creek Gold Project located near Wiluna through its 51% majority shareholding in Horizon.

Panoramic has been a consistent dividend payer and has paid out a total of \$114.3 million in fully franked dividends between 2008 and 2016. At 31 December 2017, Panoramic had \$5.7 million in available and restricted cash and no bank debt.

The Company's vision is to broaden its exploration and production base, with the aim of becoming a major, diversified mining company in the S&P/ASX 100 Index. The growth path will include developing existing resources, discovering new ore bodies, acquiring additional projects and is being led by an experienced exploration-to-production team with a proven track record.

## Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to, statements concerning Panoramic's planned exploration program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Panoramic believes that its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.