

Nickel


PANORAMIC
RESOURCES LTD



Cobalt

Moving towards Savannah restart

Investor Presentation
29 May 2018

Copper

No New Information or Data

This presentation contains references to exploration results, and Mineral Resource and Ore Reserve estimates, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Forward Looking Statements

This presentation may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the Countries and States in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s Annual Reports, as well as the Company’s other filings. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Capital Structure and Enterprise Value

Index	S&P/All Ordinaries
ASX Ticker	ASX:PAN
Shares on issue	491.6M
Share Price	\$0.54 (29 May 2018)
Market Cap	~\$265M
Cash	\$23M (31 March 2018)
Listed Investments	~\$9M (HRN, GME, others)
Bank debt	Nil
Enterprise Value	~\$233M

Significant Shareholder (at 6 March 2018)

Zeta Resources Limited	30.15%
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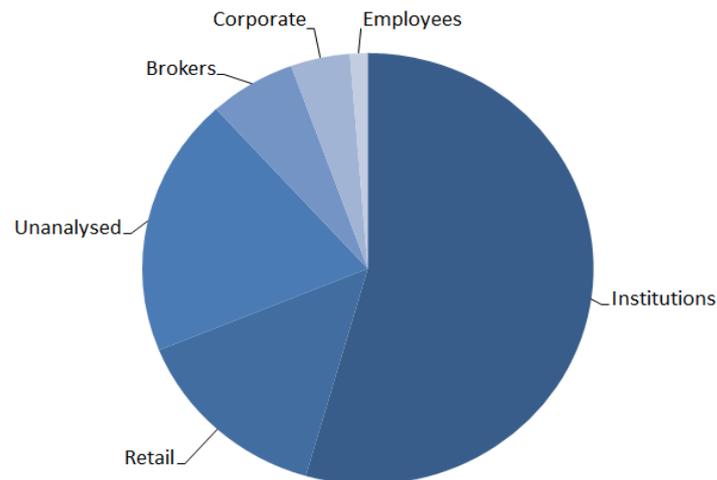
Metrics

30-day average daily volume	580,000
90-day average daily volume	750,000
52 week Low-High	\$0.19 - 0.585

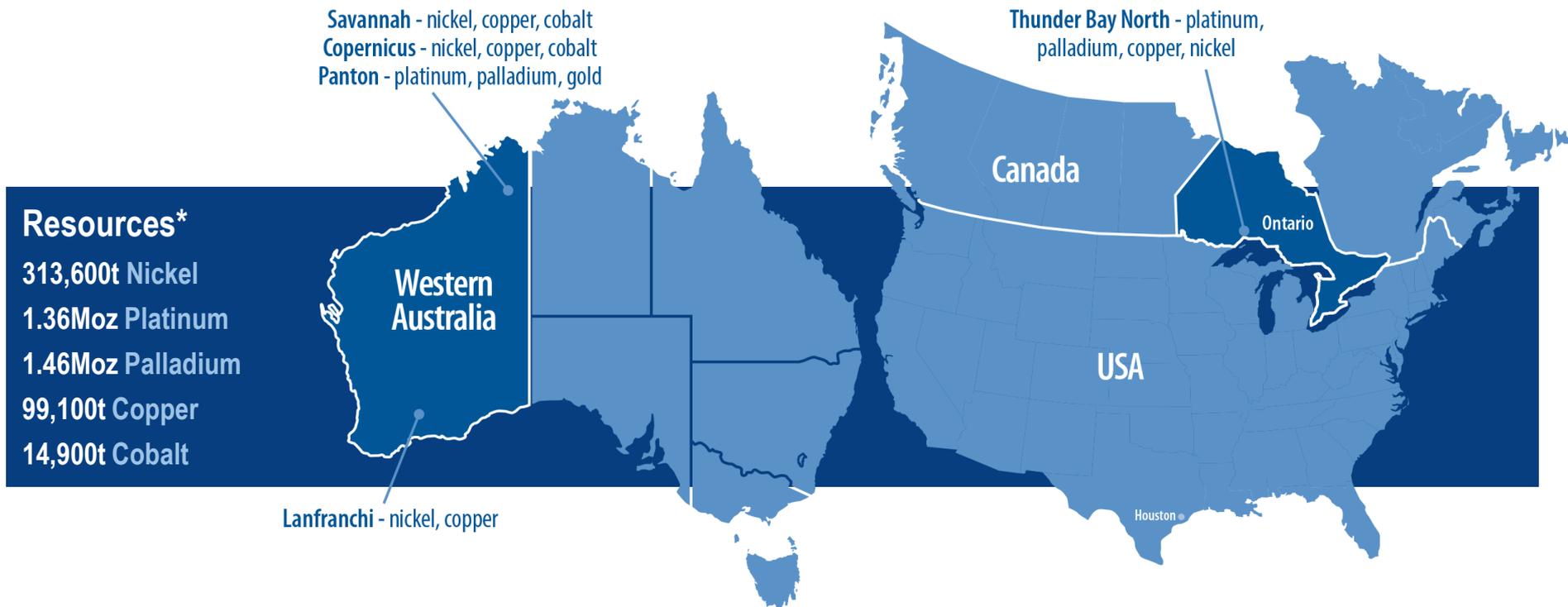
Board

Brian Phillips	Non Executive Chairman
Peter Harold	Managing Director
John Rowe	Non Executive Director
Peter Sullivan	Non-Executive Director
Nicholas Cernotta	Non-Executive Director
Trevor Eton	CFO/Company Secretary

Shareholder spread +50% institutional



Significant Resources



*Refer Appendices "Resources and Reserves – 30 June 2017"



Continuous Exploration Success

Kimberley

- Savannah North 175,100t Ni, 74,400t Cu, 12,700t Co
- Savannah Lower Zone 50,120t Ni, 28,200t Cu, 2,400t Co
- Savannah Sub 900 Fault 14,900t Ni, 6,900t Cu, 900t Co
- Copernicus 10,600t Ni, 6,900t Cu, 400t Co

Lanfranchi

- Deacon 71,800t Ni, 6,300t Cu, 1,900t Co
- Jury-Metcalf 6,400t Ni, 1,300t Cu, 100t Co
- Lower Schmitz 6,700t Ni, 500t Cu, 100t Co

Gum Creek *(now owned by Horizon Gold Limited ASX:HRN)*

- Combined Howards, Heron South, Swan, Swift and Wilsons

342,700 tonnes Nickel
125,000 tonnes Copper
18,700 tonnes Cobalt

630,000 ounces Gold

New Resources discovered since 2006 - refer Company Annual Reports

EXPLORATION

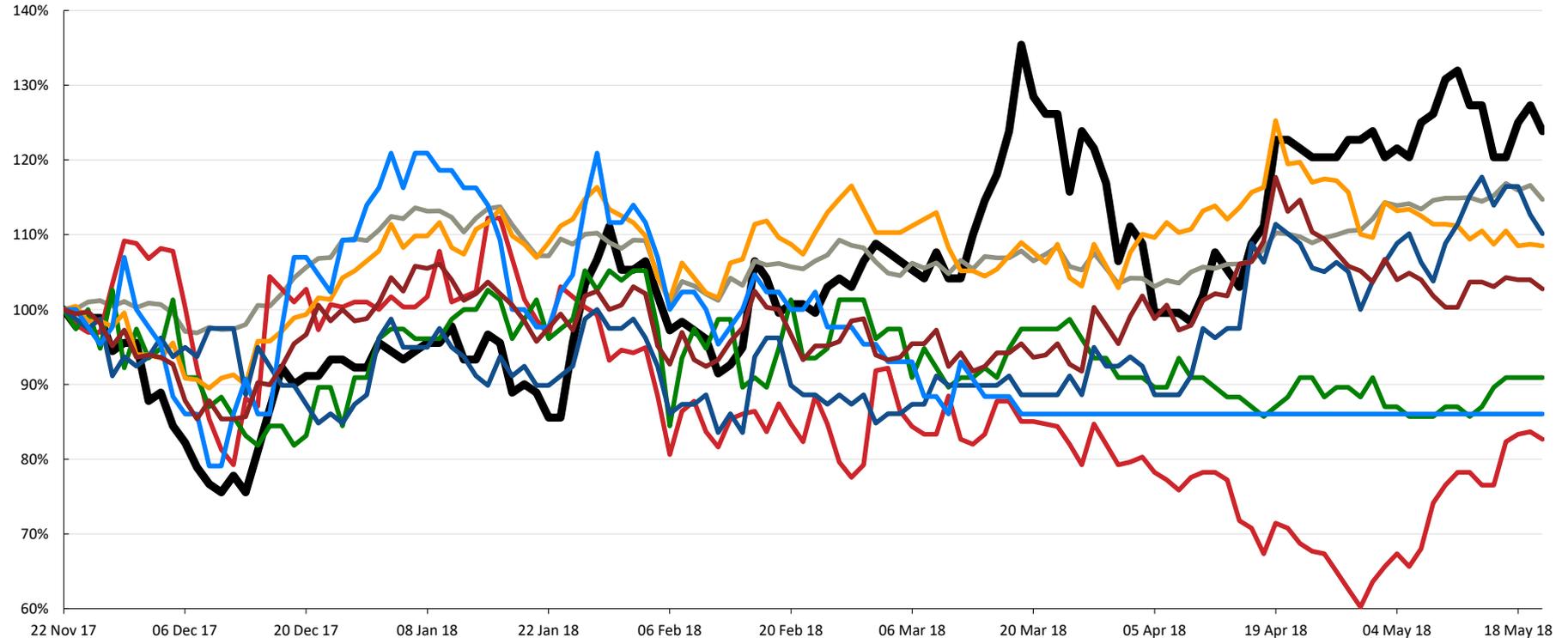


Excellent potential
for **mine life**
extension through
exploration success

Performance against our peers – Nov 2017 to May 2018

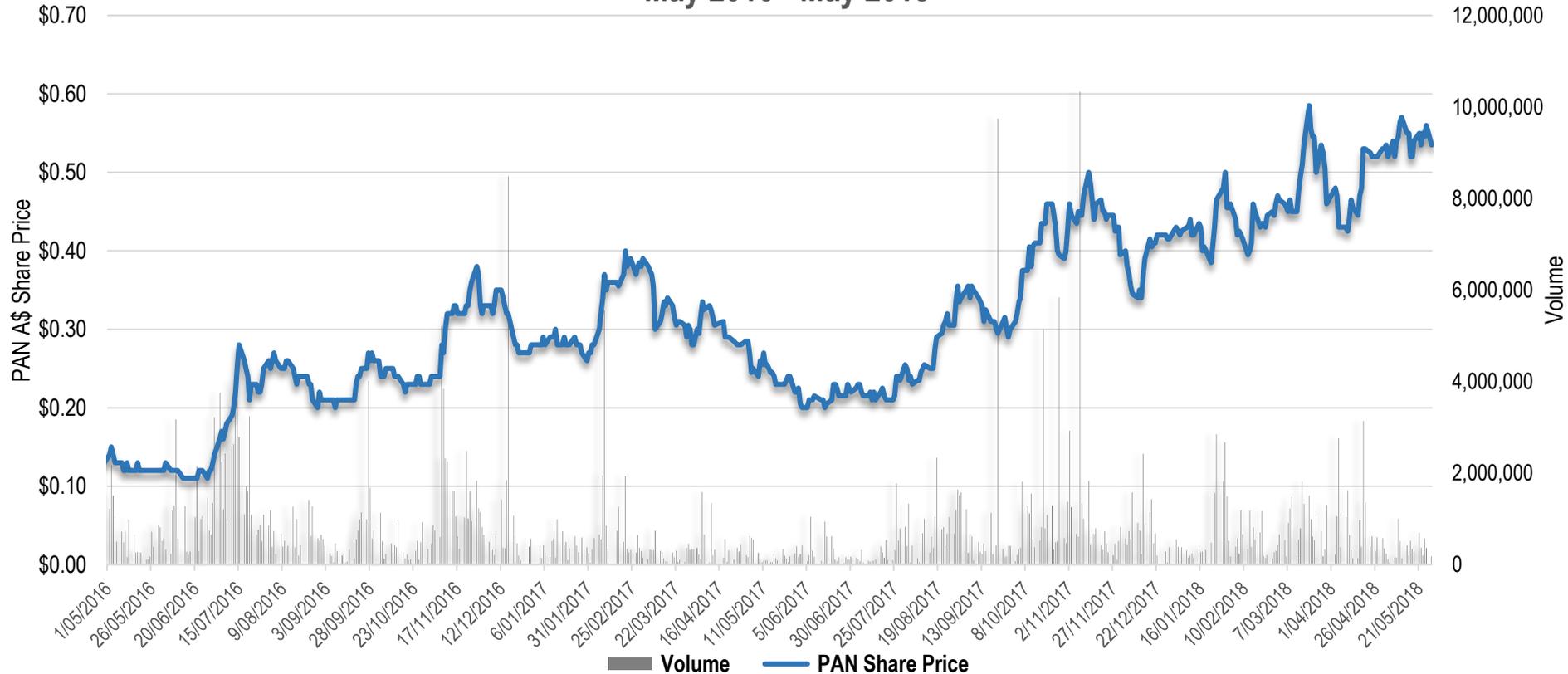
6 Months

PAN.ASX XSR.ASX CLQ.ASX CZI.ASX
IGO.ASX MCR.ASX POS.ASX WSA.ASX



Solid performance over the last two years

Panoramic Resources Limited (ASX: PAN)
May 2016 - May 2018



SAVANNAH



Savannah - Summary

UNDERGROUND MINE



EXPERIENCED TEAM



Resources

218,300t Ni
99,100t Cu
14,900t Co

Exploration Upside

- Only half of interpreted extent of Savannah North Upper Zone tested by drilling
- Other known mafic/ultramafic intrusions on the leases have had little or no drilling

PROCESSING PLANT



INFRASTRUCTURE



MINING FLEET
200 PERSON VILLAGE

Operated continuously for 12 years
between 2004-2016 produced

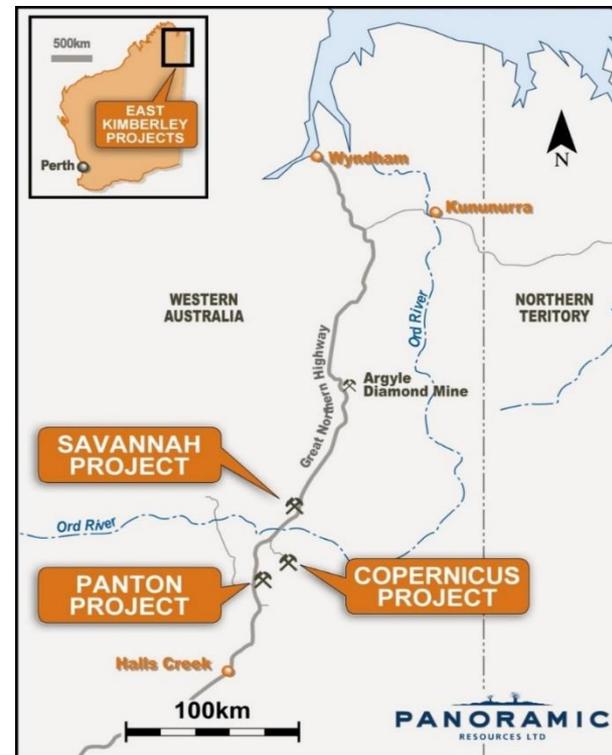
8.5Mt ore milled
95kt Ni, 53kt Cu, 5kt Co in concentrate



**NEW EXPLORATION
TARGETS**

**New exploration
targets identified**

- Frog Hollow
- Dave Hill
- Wilsons



Feasibility Study Outcomes

MINE LIFE



Long mine life with excellent potential for mine life extension through exploration success

Average annual production forecast*

10,800t Ni
6,100t Cu
800t Co

Short lead time to production

6-9 months

PRODUCTION

PER ANNUM



NPV



Pre-production ramp up capital
\$A36M

Operating Cash Costs

US\$2.40/lb payable Ni

Sustaining Cash Costs

US\$3.50/lb payable Ni

Impressive financial metrics

\$380M NPV and 200% IRR at
US\$6.75/lb Ni

SUSTAINING CASH COSTS



RESOURCES



Major Infrastructure in place

Mining Fleet
200 Person Village
1Mtpa Process Plant
Underground Mine

Job Creation

~250 new jobs

Experienced Perth Corporate team in place

JOB CREATION



Cautionary Statement

Approximately 1.1% of nickel in the Production Target is from material classified as Inferred Resource. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

*Refer Company ASX announcement dated 27 October 2017 titled "Updated Savannah Feasibility Study. Enhances fundamentals for a decision to restart"

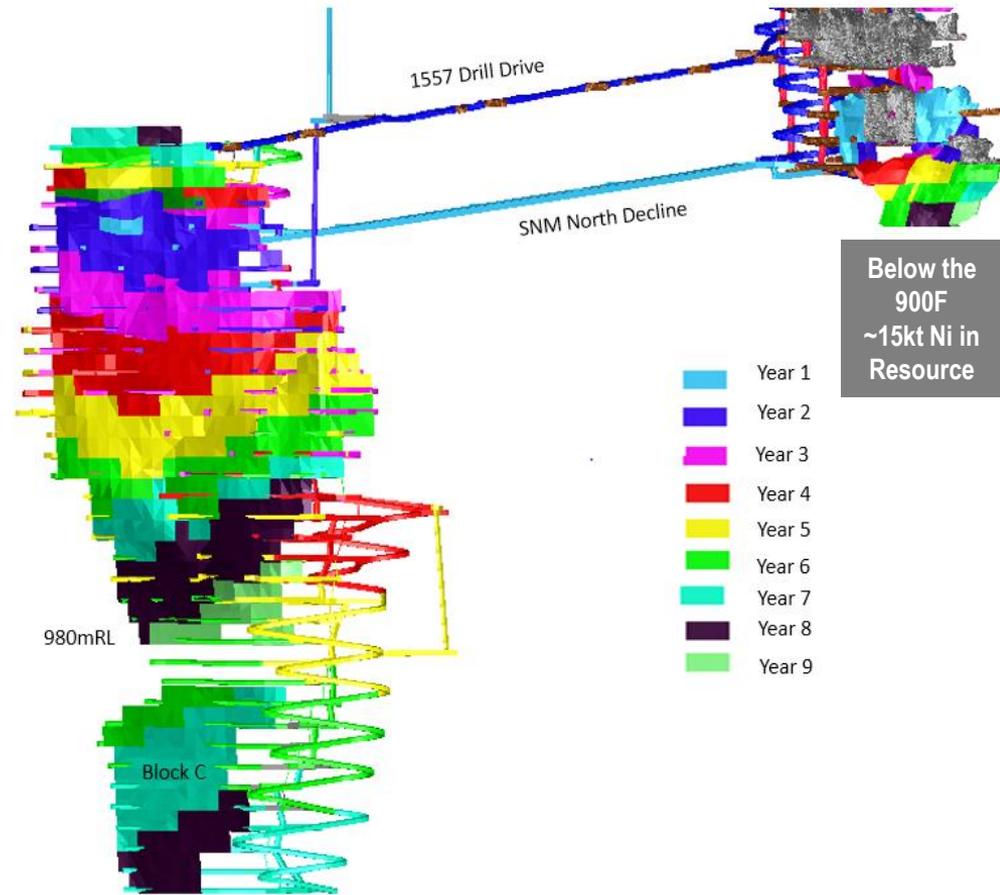
Mine Plan

Savannah

- Forecast mine production of **1.68Mt @ 1.18% Ni for 19,800t Ni contained**
- Restart mining 100% Savannah ore then transition to Savannah North
- Resources below 900 Fault not included in mine plan (**0.90Mt @ 1.65% Ni for 14,900t Ni**)

Savannah North

- Forecast mine production of **5.97Mt @ 1.49% Ni for 88,900t Ni contained**
- Commence development immediately on re-start
- First ore 9 months after commencing access development and full production after 15 months



Product

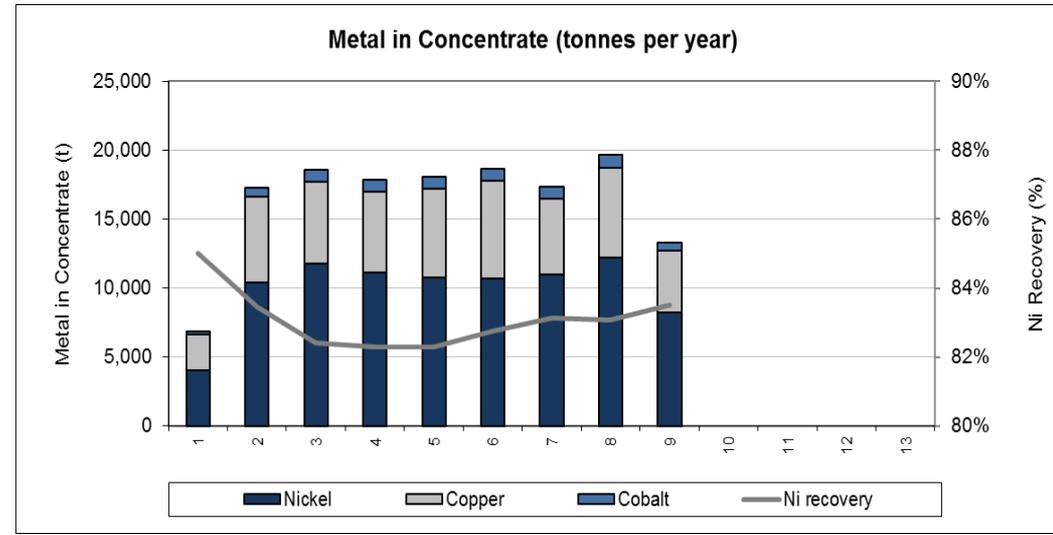
- **Bulk Ni-Cu-Co concentrate**
Average grade 8% Ni, 5% Cu, 0.6% Co
- Low impurities and attractive Fe:MgO and Ni:Fe ratios
- Ideal feed for Ni smelters

Annual metal in concentrate

- 10,800t Ni
- 6,100t Cu
- 800t Co

LOM metal in concentrate

- 90,200t Ni
- 50,700t Cu
- 6,700t Co



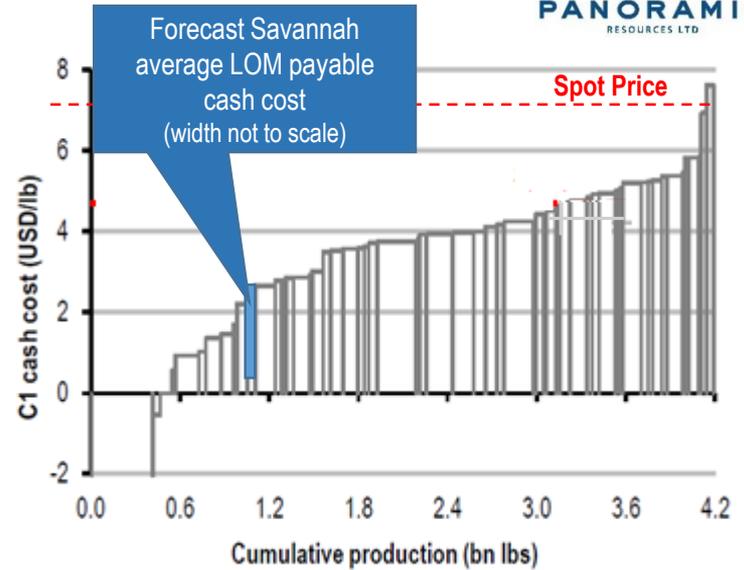
Payable Cash Costs

OPERATING CASH COSTS



US\$2.40/lb
payable Ni

Average over LOM
Bottom of 2nd quartile



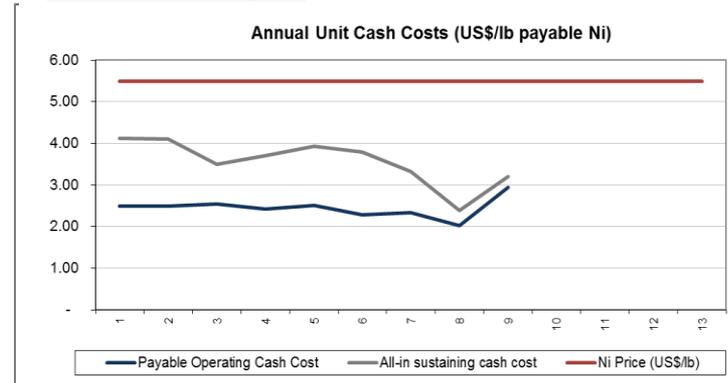
SUSTAINING CASH COSTS



US\$3.50/lb
payable Ni

Average over LOM
US\$4.20/lb in Years 1 and 2

Source: Wood Mackenzie, HSBC



Leveraged to commodity prices and FX Rate

Strongly leveraged to nickel price and US\$:A\$



US\$1.00/lb increase in nickel price adds **~A\$160M** to pre-tax NPV



US\$0.05 cent decrease in the US\$:A\$ exchange rate adds **~A\$50M** to pre-tax NPV

Pre-tax NPV ₈ (\$'M)		Nickel Price US\$/lb)					
		5.00	6.00	7.00	8.00	9.00	10.00
US\$:A\$ FX Rate	0.65	270	453	635	790	946	1,102
	0.70	207	377	546	690	835	979
	0.75	153	312	469	604	739	874
	0.80	105	254	401	528	654	781
	0.85	63	203	342	461	580	699

Savannah Pre-Production Activities

- **Entitlement Offer completed** - one for seven at \$0.34 raised \$20.9 million (before costs)
- **Critical path activities undertaken during the March 2018 Quarter:**
 - Interquip appointed to refurbish the processing and paste plants - work commenced;
 - Repairs, certification and recommissioning of mobile and fixed plant;
 - Transfer of mobile equipment and stores from Lanfranchi;
 - Preparation of tender documents for a 3m wall lift of the tailing storage facility;
 - Works on the Savannah North ventilation intake rise collar; and
 - Negotiations of major contracts including power supply, raisebore drilling and camp services.
- **Financing** - discussions ongoing with potential financiers
- **Concentrate Offtake** - discussions progressing with shortlisted offtake partners
- **Licences** - approval for installation of the Savannah North ventilation intake rise received

Decision to Re-Start

Contingent on:

- Finalising the offtake for the Savannah North nickel/copper/cobalt concentrate;
- Securing project financing; and
- Sustained recovery in the US\$ nickel price.

**EXPERIENCED
TEAM**



**UNDERGROUND
MINE**



MINE LIFE

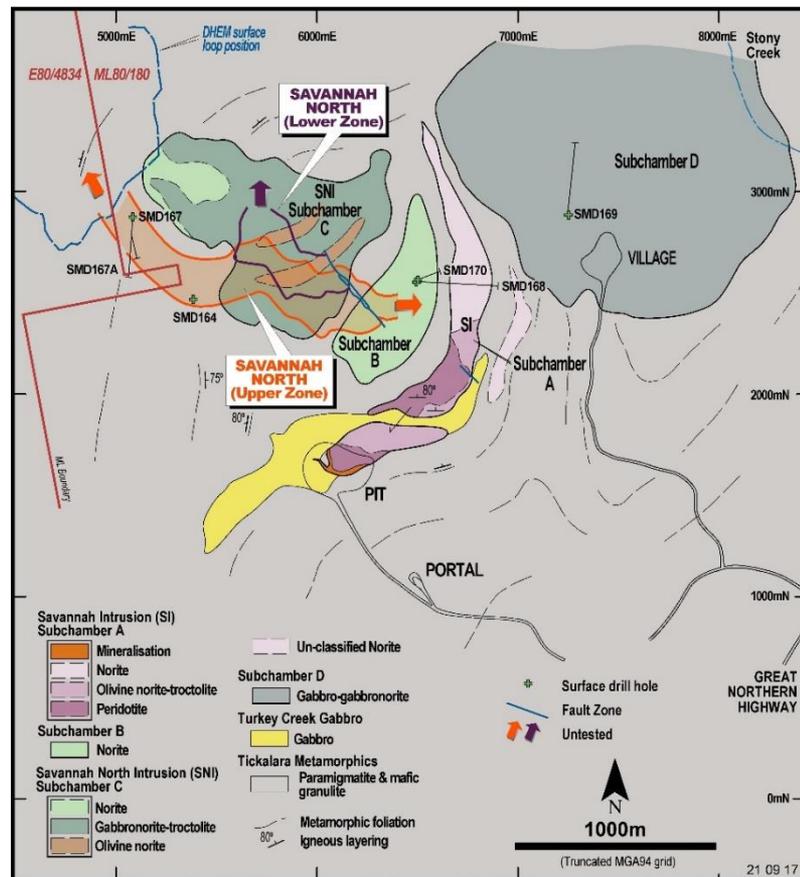


+8 YEARS



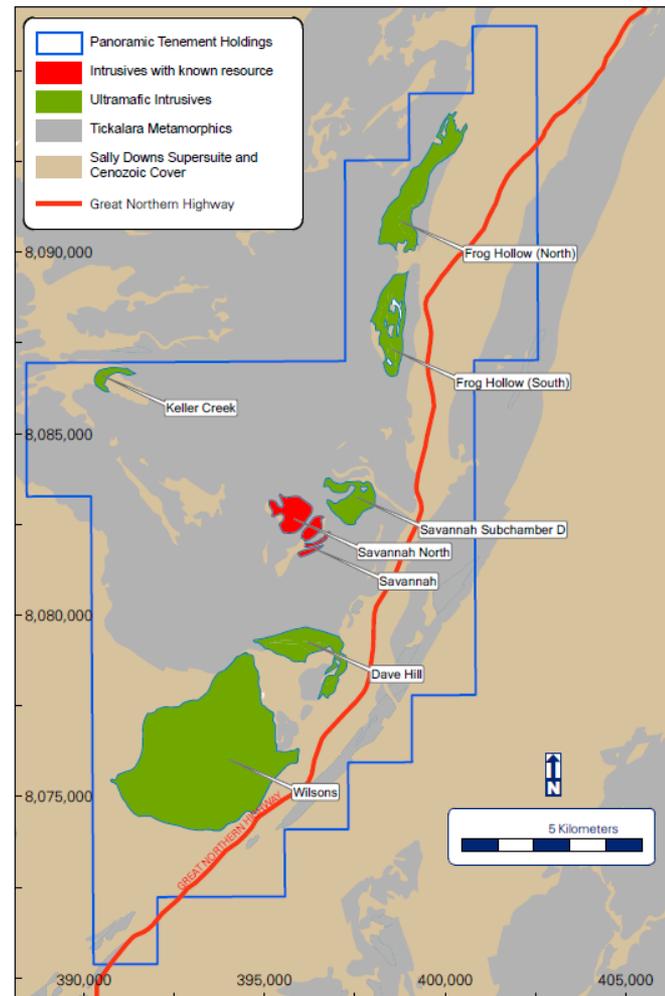
Upside – potential 2km strike at Savannah North

- **Resource open** - Savannah North Resource drilling programs have not closed off the mineralisation
- **Potential strike length of the Upper Zone is ~2km** based on the large, highly conductive on-hole EM responses identified in surface drill holes:
 - SMD164, Section 5400mE
 - SMD167 & SMD167A, Section 5100mE
- **Only half of the potential Upper Zone mineralisation has been tested by resource drilling**
- **The Lower Zone Resource remains open down dip to the northwest**



Upside – Other Intrusions

- A number of mafic/ultramafic intrusive bodies occur at Savannah
 - Dave Hill
 - Wilsons
 - Subchamber D
 - Frog Hollow
- CSIRO age dating indicate these are part of the same magmatic event as the Savannah / Savannah North mineralised bodies
- Dave Hill and Wilsons bodies are known to contain magmatic sulphides
- Past drilling has been minimal and has **not tested** the most prospective basal parts of these intrusives
 - **Dave Hill** - one 700m deep and five shallow core holes
 - **Wilsons** - one core and seven shallow RC holes
 - **Subchamber D** - one core hole
 - **Frog Hollow** - never been drilled
- Drilling scheduled to commence second half of June 2018



Savannah - Summary

RESOURCES

218,300t Ni
99,100t Cu
14,900t Co

- Savannah is a significant Australian base metal project

PROJECT FINANCIALS



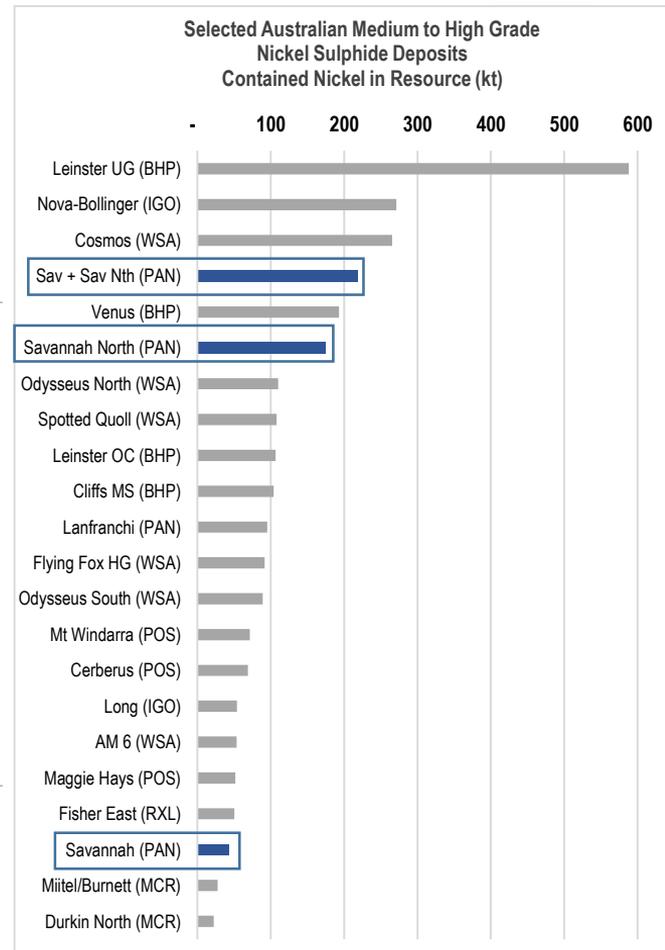
Updated Oct 2017 Feasibility Study confirms

- +8 year mine life
- Very robust at current commodity prices and US\$:A\$ FX
- Competitive operating cash costs of US\$2.40/lb payable Ni
- Low re-start capex
- Short timeframe to production leveraging off existing Savannah infrastructure
- Significant leverage to nickel, copper and cobalt prices

EXPLORATION



- Excellent potential for further exploration success and mine life extension



OTHER ASSETS



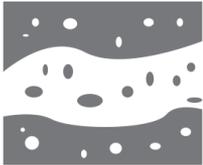
Lanfranchi - Summary

MINING



- Fully developed underground mine
- Village and associated infrastructure
- Mined continuously by PAN for 10 years (2005-2015)
- **3.85Mt ore mined containing 94kt Ni (PAN production)**
- Care and maintenance from November 2015
- Offtake with BHP Nickel West to February 2019
- Revenue from camp lease
- Value realisation strategy underway – Hartleys advising

RESOURCE

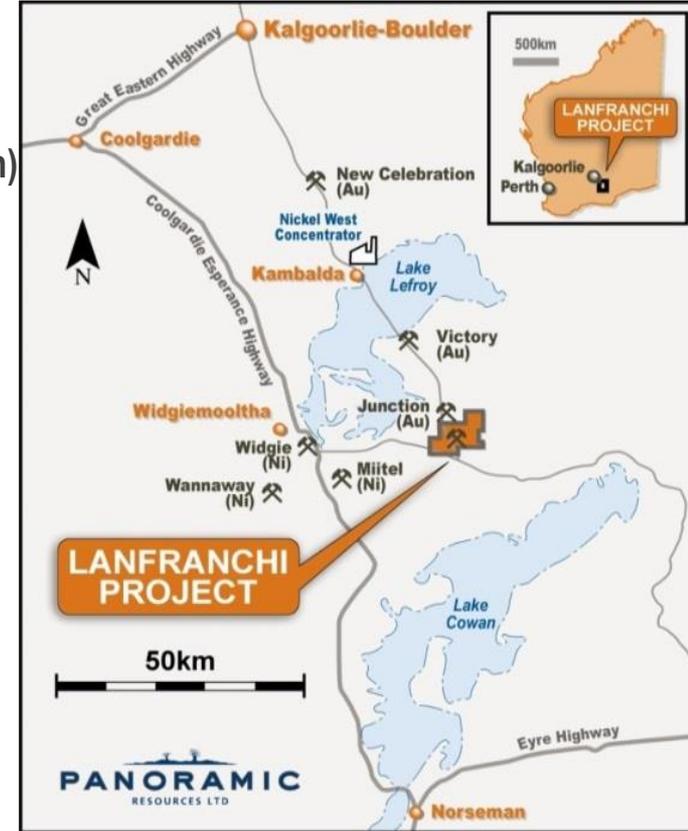


- **Total Resources of 95,500t contained Ni**
- Lower Schmitz high-grade Resource of 6,700t contained Ni at **5.1% Ni**

EXPLORATION



- Significant exploration potential
- Multiple targets identified



Horizon Gold (ASX:HRN) - Gum Creek Gold Project

RESOURCE



IPO of Horizon, spun out from Panoramic

- Shares on issue 76.5M
- Market capitalisation \$12.2M
- Cash (31 Mar 2018) \$7.7M
- Enterprise value \$4.5M
- Panoramic interest 51%

PRODUCTION



Historic production - >1Moz gold

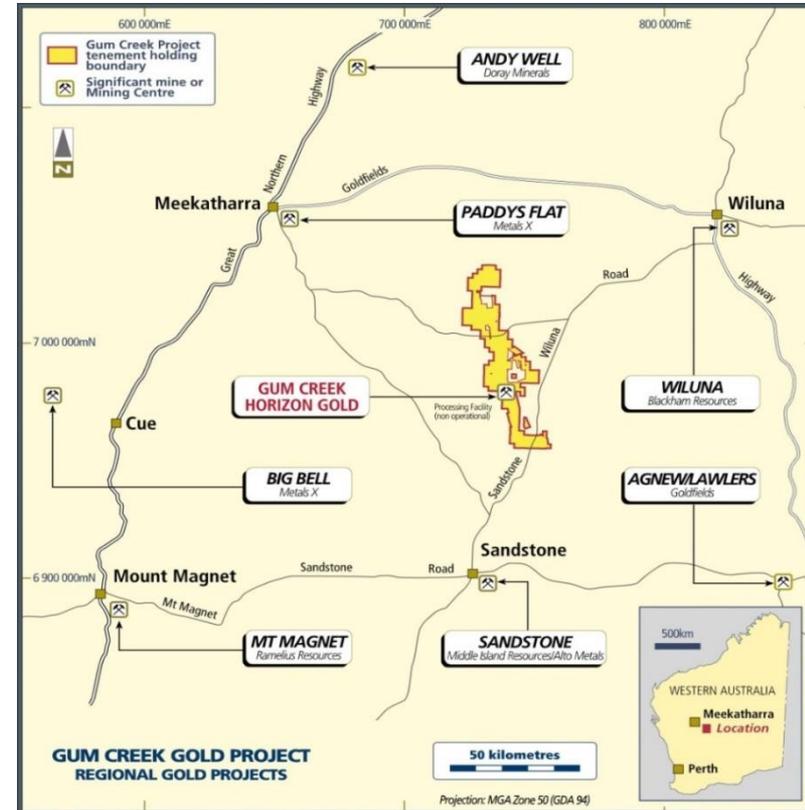
Location - 640km NE of Perth, Western Australia
Large tenement package - covering large portion of the Gum Creek Greenstone belt

EXPLORATION



Swan Premium - 161kt @ 12.5g/t for 64,500oz Au Resource, studies underway on high-grade underground development

Current Exploration - AC drilling on Wahoo East and Toedter West



Panton

- Located 60km from Savannah
- BFS completed by previous owners

Recent positive test work by Panoramic

- Improved recovery and concentrate grade
- Potential for Cr by-product
- Ore sorting

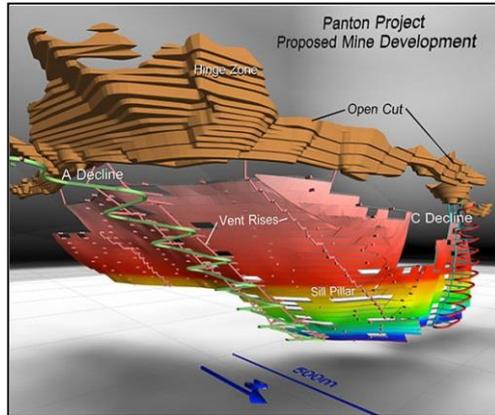
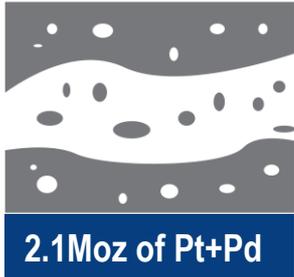
Thunder Bay North

- Located in Ontario, Canada
- PEA completed by previous owner

Rio Tinto earn in and JV option

- Consolidates PAN's Thunder Bay North Project and Rio's Escape Lake Project
- Rio spending up to C\$20M over 5½ years to earn 70% interest
- Rio has exceeded minimum expenditure commitment

RESOURCE



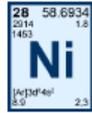
RESOURCE



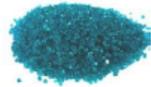
Battery metals – nickel and cobalt important

Nickel and cobalt are key ingredients for the manufacture of lithium-ion batteries

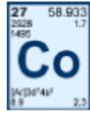
An example of a Nickel-Cobalt-Aluminum (NCA) battery



8 parts



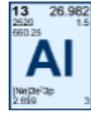
Nickel Sulphate



1 part



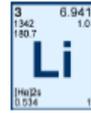
Cobalt Sulphate



1 part



Aluminum Sulphate



1 part



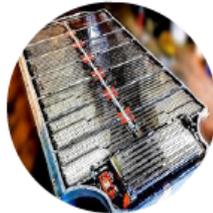
Lithium Carbonate



NCA Cathode Material



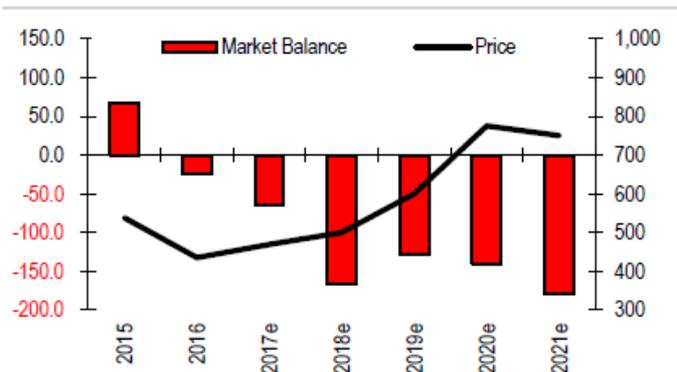
Cell
(shell is nickel plated)



Pack

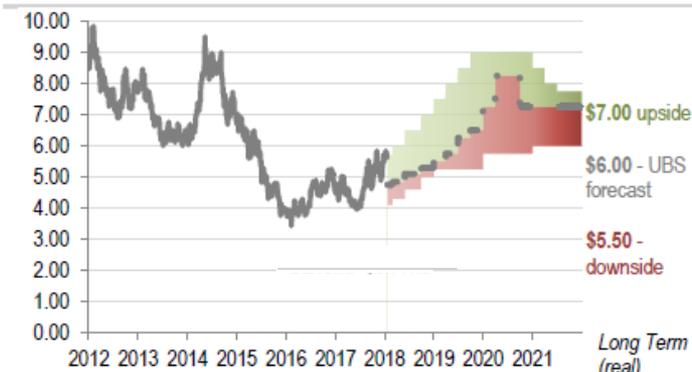


Nickel Demand & Supply (ktpa)



Source: Bloomberg, UBS Research.

Nickel price forecasts (US\$/lb)



Source: LME, Bloomberg and UBS estimates. UBS March 2018 Aust Resources Base Metals & Gold Report

Macquarie Nickel Price Forecasts

- 2018 - \$5.73/lb
- 2019 - \$6.18/lb
- 2020 - \$6.80/lb
- 2021 - \$7.26/lb
- Long Term - \$7.94/lb

Source: Macquarie Bank – February 2018, UBS Jan and March 2018

Electric Vehicles (Evs) need Nickel – UBS, Jan 2018

“We now forecast ~16.5 million EV production in 2025e would mean an additional ~300-900ktpa or +10-40% of incremental nickel demand”

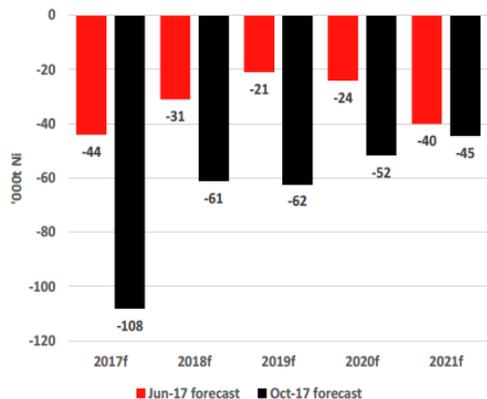
Commodities Compendium – Macquarie Bank, Mar 2018

“We have raised our expected deficits out to 2022 and now see inventories normalising by 2020 (previously 2021), and low enough in the 2020s to tighten the market considerably. We now expect prices to rise above \$15,000/t from 2020 onwards”

Important facts about nickel

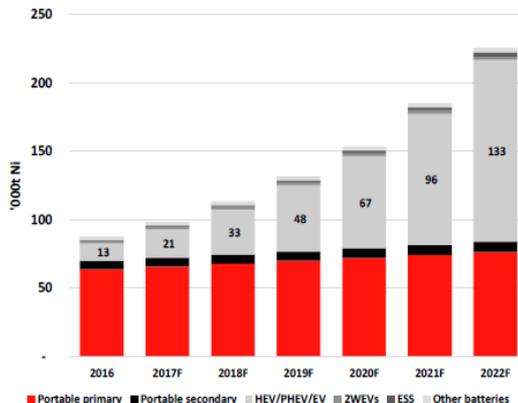
- Nickel market currently in deficit, LME stockpile down from 470kt (April '15) to 300kt now
- EVs driving major changes to nickel demand and price outlook
- A large percentage of nickel in the global supply is not suitable for battery production
- Specific types of nickel ore are needed for nickel sulphate production and there could be shortages in the future
- ✓ **Panoramic has the right nickel to supply the growing demand for batteries in EVs**

Projected global nickel market balance



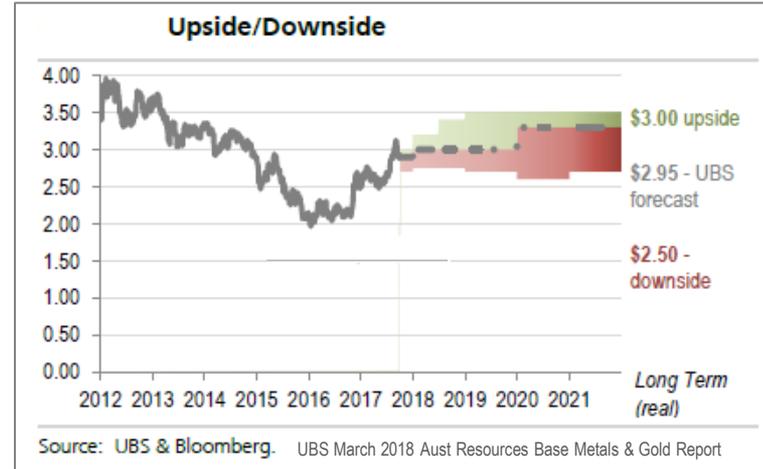
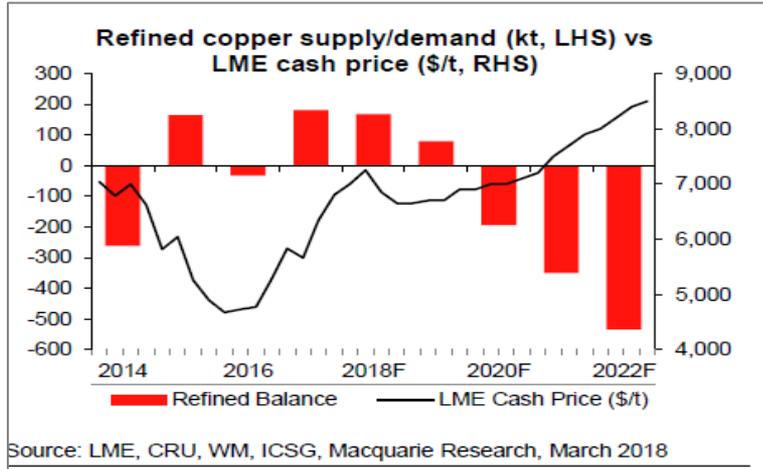
Source: INSG, Macquarie Research, October 2017

Primary nickel use in batteries



Source: LME, Macquarie Research, October 2017





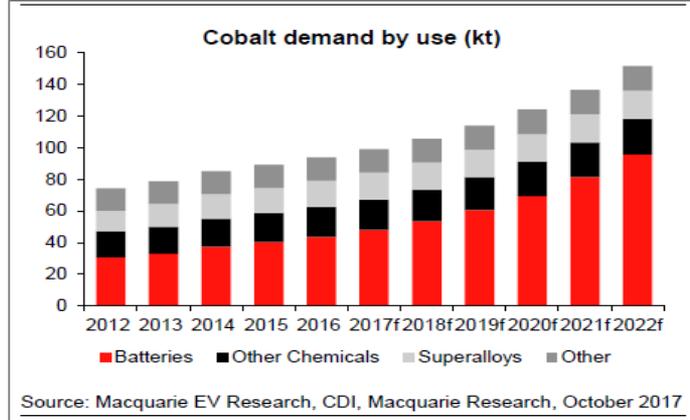
Macquarie Copper Price Forecasts

- 2018 - \$3.14/lb
- 2019 - \$3.02/lb
- 2020 - \$3.18/lb
- 2021 - \$3.44/lb
- Long Term - \$2.68/lb

Source: Macquarie Bank – February 2018

Commodities Compendium – Macquarie Bank, Mar 2018

“We see a very small surplus in 2019 (<100kt), followed by the rather thrilling prospect of ballooning deficits as head grades slip away and trigger-shy miners are still loathe to develop projects. The building consensus around this has led to a deeper, more powerful undercurrent of investor allocation into either copper itself or its key producers. We see prices by 2022 averaging above \$8,000/t. Beyond that, even higher prices are likely”



Macquarie Cobalt Price Forecasts

- 2018 - \$27.30/lb
- 2019 - \$20.00/lb
- 2020 - \$21.50/lb
- 2021 - \$32.00/lb
- 2022 - \$41.00/lb

Sources:

Macquarie Research – Oct 2017

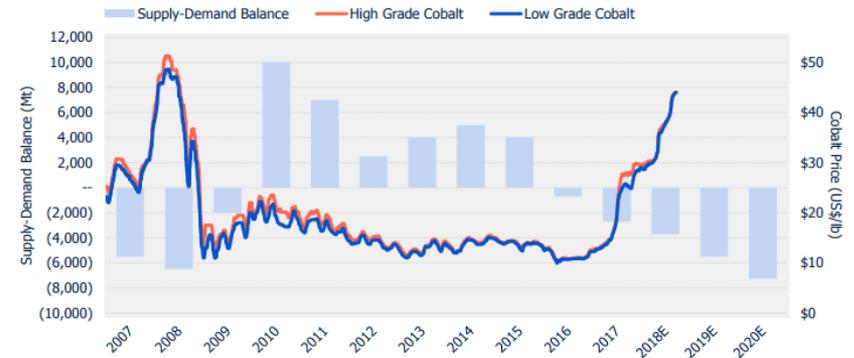
Cobalt 27 Capital Corp - corporate presentation, May 2018

Cobalt 27 Capital Corp comments

- Cobalt demand in lithium-ion batteries forecast to grow at 11.7% CAGR to 2022
- Supply currently concentrated in the DRC (65% of 2016 mine output)
 - Relatively politically unstable country
 - Lack of infrastructure
 - ~15% of DRC output from unregulated artisanal mining

Supply-Demand Balance and Historical Cobalt Prices (Nominal)¹

Tonnes | Metal Bulletin High-Low Averages (US\$/lb)



Source: Darton Commodities, Metal Bulletin
 (1) Cobalt prices per Metal Bulletin as of April 20, 2018

Vision



Restart Production

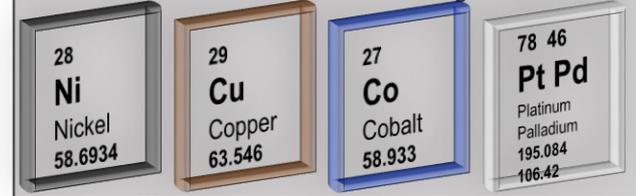


Build Resources



Grow the Business

Commodity Focus



Commitment

**SAFELY HOME
EVERY DAY**



Goal

**CAPITAL GROWTH
& DIVIDENDS**

APPENDICES



Note: further 2012 Edition JORC compliance tables are referenced in the PAN ASX announcement dated 30 September 2017



1. INFERRED RESOURCES IN SAVANNAH MINE PLAN

Material in Updated Savannah FS mine plan

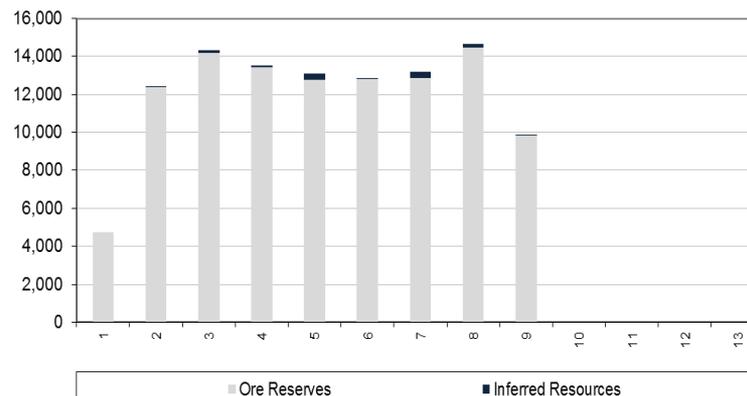
Classification	Tonnage Mt	Grade Ni%	Grade Cu%	Grade Co%	Contained Ni (t)	Contained Cu (t)	Contained Co (t)
Ore Reserves	7.58	1.42	0.68	0.09	107,500	51,200	7,200
Inferred Resource	0.06	1.91	0.69	0.13	1,200	400	100
Total	7.65	1.42	0.68	0.10	108,700	51,700	7,300

The Updated FS mine plan has only ~1.1% material classified as Inferred Resource

Cautionary Statement

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

Contained Nickel in Mining Plan by JORC Category (tonnes per year)



A light gray silhouette of a landscape featuring two baobab trees on a horizon line, set against a white background.

2. RESOURCES AND RESERVES

No New Information or Data

The Mineral Resource and Ore Reserve estimates tabled below have been previously reported, and the relevant market announcements cross referenced. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Nickel, Copper, Cobalt – Resources at 30 June 2017

Resource	Equity	Metal	JORC Compliance	Measured		Indicated		Inferred		Total		Metal Tonnes
				Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	
Savannah Project												
Savannah (above 900)	100%	Nickel	2012	1,275,000	1.51	759,000	1.20	-	-	2,034,000	1.39	28,300
		Copper			0.87		0.90				0.88	17,900
		Cobalt			0.07		0.07				0.07	1,400
Savannah (below 900)	100%	Nickel	2012	780,000	1.64	125,000	1.72	-	-	905,000	1.65	14,900
		Copper			0.76		0.75				0.76	6,900
		Cobalt			0.10		0.09				0.10	900
Savannah North (Upper)	100%	Nickel	2012	-	-	4,229,000	1.64	1,759,000	1.25	5,987,000	1.53	91,300
		Copper			-		0.65		0.49		0.60	36,100
		Cobalt			-		0.12		0.10		0.11	6,800
Savannah North (Lower)	100%	Nickel	2012	-	-	2,697,000	1.96	853,000	2.02	3,549,000	1.97	70,100
		Copper			-		0.98		0.93		0.97	34,400
		Cobalt			-		0.14		0.13		0.14	4,900
Savannah North (Other)	100%	Nickel	2012	-	-	242,000	2.22	493,000	1.67	735,000	1.85	13,600
		Copper			-		0.50		0.53		0.52	3,800
		Cobalt			-		0.14		0.11		0.12	900
Lanfranchi Project												
Cruikshank	100%	Nickel	2004	-	-	2,018,000	1.42	611,000	0.79	2,629,000	1.28	33,600
Deacon	100%	Nickel	2012	89,000	2.99	-	-	134,000	1.70	224,000	2.22	5,000
Gigantus	100%	Nickel	2004	-	-	-	-	652,000	1.63	652,000	1.63	10,600
Helmut South Ext	100%	Nickel	2012	21,000	4.54	29,000	2.87	-	-	50,000	3.59	1,800
John	100%	Nickel	2004	-	-	-	-	291,000	1.42	291,000	1.42	4,100
Lanfranchi	100%	Nickel	2012	40,000	4.12	55,000	4.40	63,000	3.49	158,000	3.97	6,300
Martin	100%	Nickel	2012	-	-	47,000	3.58	7,000	4.16	54,000	3.66	2,000
McComish	100%	Nickel	2004	-	-	-	-	992,000	1.49	992,000	1.49	14,800
Metcalfe	100%	Nickel	2012	-	-	280,000	1.99	111,000	1.35	391,000	1.81	7,100
Schmitz	100%	Nickel	2012	30,000	4.92	23,000	3.93	16,000	2.95	69,000	4.14	2,900
Lower Schmitz	100%	Nickel	2012	-	-	51,000	5.60	79,000	4.80	131,000	5.11	6,700
Winner	100%	Nickel	2004	-	-	14,000	4.40	-	-	14,000	4.40	600
Total (Equity)		Nickel										313,600
		Copper										99,100
		Cobalt										14,900

Qualifying Statement and Notes

Notes:

- *Figures have been rounded and therefore may not add up exactly to the reported totals*
- *All resources are inclusive of reserves*
- *Savannah Project Resource cutoff grade is 0.50% Ni*
- *Lanfranchi Project Resource cutoff grade is 1.00% Ni*

Cross references to previous market announcements:

- *Savannah (above 900) - refer ASX announcement dated 30 September 2016 titled "Mineral Resources and Ore Reserves at 30 June 2016"*
- *Savannah (below 900) - refer ASX announcement dated 30 September 2015 titled "Mineral Resources and Ore Reserves at 30 June 2015"*
- *Savannah North – refer ASX announcement dated 24 August 2016 titled "Major Resource Upgrade for Savannah North"*
- *Cruickshank - refer ASX announcement dated 28 April 2011 titled "Cruickshank Resource Upgraded 26% to 33,560t Ni"*
- *Deacon, Helmut South Ext, Lanfranchi, Metcalfe - refer ASX announcement dated 30 September 2016 titled "Mineral Resources and Ore Reserves at 30 June 2016"*
- *Gigantus, John, McComish, Winner - refer ASX announcement dated 12 October 2011 titled "Business Review 2011"*
- *Martin - refer ASX announcement dated 13 September 2013 titled "Resources and Reserves at 30 June 2013 and Exploration Update"*
- *Schmitz - refer ASX announcement dated 30 September 2015 titled "Mineral Resources and Ore Reserves at 30 June 2015"*
- *Lower Schmitz - refer ASX announcement dated 28 April 2016 titled "Quarterly Report for the period ending 31 March 2016"*

Nickel, Copper, Cobalt – Reserves at 30 June 2017

Reserve	Equity	Metal	JORC Compliance	Proven		Probable		Total		Metal Tonnes
				Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	
Savannah Project										
Above 900 Fault	100%	Nickel	2012	1,365,000	1.15	194,000	1.24	1,558,000	1.16	18,100
		Copper			0.66		1.28		0.74	11,500
		Cobalt			0.06		0.07		0.06	900
Savannah North	100%	Nickel	2012	-	-	6,650,000	1.42	6,650,000	1.42	94,500
		Copper			-		0.61		0.61	40,900
		Cobalt			-		0.10		0.10	6,700
Lanfranchi Project										
Deacon	100%	Nickel	2012			42,000	2.67	42,000	2.67	1,100
Metcalfe	100%	Nickel	2012			113,000	1.57	113,000	1.57	1,800
Lanfranchi	100%	Nickel	2012			11,000	2.56	11,000	2.56	300
Schmitz	100%	Nickel	2012			15,000	2.96	15,000	2.96	500
Helmut Sth Ext	100%	Nickel	2012			27,000	2.19	27,000	2.19	600
Total (Equity)		Nickel								116,800
		Copper								52,400
		Cobalt								7,600

Notes:

- Figures have been rounded and therefore may not add up exactly to the reported totals
- Savannah Project Reserve cutoff grade is 0.80% Ni
- Lanfranchi Project Reserve cutoff grade is 1.00% Ni except for airleg mining which is 2.00% Ni

Cross references to previous market announcements:

- refer to ASX announcement dated 30 September 2016 titled "Mineral Resources and Ore Reserves at 30 June 2016"
- refer to ASX announcement dated 2 February 2017 titled "Savannah Feasibility Study. Ten year life with minimal restart capital requirements"

Platinum Group Metals – Resources at 30 June 2017

Resource	Equity	JORC Compliance	Tonnage	Grade									Contained Metal	
				Pt (g/t)	Pd (g/t)	Rh (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Ni (%)	Co %	Pt-Eq (g/t)	Pt (oz ,000)	Pd (oz ,000)
Thunder Bay North														
Open Pit	100%	2004												
Indicated			8,460,000	1.04	0.98	0.04	0.07	1.50	0.25	0.18	0.014	2.13	283	267
Inferred			53,000	0.96	0.89	0.04	0.07	1.60	0.22	0.18	0.014	2.00	2	2
Underground	100%	2004												
Indicated			1,369,000	1.65	1.54	0.08	0.11	2.60	0.43	0.24	0.016	3.67	73	68
Inferred			472,000	1.32	1.25	0.06	0.09	2.10	0.36	0.19	0.011	2.97	20	19
Sub-total – Thunder Bay North (Equity)			10,354,000	1.13	1.07								377	355
Panton														
Top Reef	100%	2012												
Measured			4,400,000	2.46	2.83	-	0.42	-	0.08	0.28	-	-	348	400
Indicated			4,130,000	2.73	3.21	-	0.38	-	0.09	0.31	-	-	363	426
Inferred			1,560,000	2.10	2.35	-	0.38	-	0.13	0.36	-	-	105	118
Middle Reef	100%	2012												
Measured			2,130,000	1.36	1.09	-	0.10	-	0.03	0.18	-	-	93	75
Indicated			1,500,000	1.56	1.28	-	0.10	-	0.04	0.19	-	-	75	62
Inferred			600,000	1.22	1.07	-	0.10	-	0.05	0.19	-	-	24	21
Sub-total – Panton (Equity)			14,320,000	2.19	2.39								1,008	1,102
Total - PGM (Equity)														
													1,385	1,456

Qualifying Statements and Notes

Notes

Thunder Bay North Open Pit Resource: The open pit Mineral Resource is reported at a cut-off grade of 0.59 g/t Pt-Eq within a Lerchs-Grossman resource pit shell optimized on Pt-Eq. The strip ratio (waste:ore) of this pit is 9.5:1. The platinum-equivalency formula is based on assumed metal prices and overall recoveries. The Pt-Eq formula is: $Pt-Eq\ g/t = Pt\ g/t + Pd\ g/t \times 0.3204 + Au\ g/t \times 0.6379 + Ag\ g/t \times 0.0062 + Cu\ g/t \times 0.00011 + Total\ Ni\ g/t \times 0.000195 + Total\ Co\ g/t \times 0.000124 + Rh\ g/t \times 2.1816$. The conversion factor shown in the formula for each metal represents the conversion from each metal to platinum on a recovered value basis. The assumed metal prices used in the Pt-Eq formula are: Pt US\$1,595/oz, Pd US\$512/oz, Au US\$1,015/oz, Ag US\$15.74/oz, Cu US\$2.20/lb, Ni US\$7.71/lb, Co US\$7.71/lb and Rh US\$3,479/oz. The assumed combined flotation and PlatsolTM process recoveries used in the Pt-Eq formula are: Pt 76%, Pd 75%, Au 76%, Ag 55%, Cu 86%, Ni 44%, Co 28% and Rh 76%. The assumed refinery payables are: Pt 98%, Pd 98%, Au 97%, Ag 85%, Cu 100%, Ni 100%, Co 100% and Rh 98%.

Thunder Bay North Underground Resource: The underground mineral resource is reported at a cut-off grade of 1.94g/t Pt-Eq. The Pt-Eq formula is: $Pt-Eq\ g/t = Pt\ g/t + Pd\ g/t \times 0.2721 + Au\ g/t \times 0.3968 + Ag\ g/t \times 0.0084 + Cu\ g/t \times 0.000118 + Sulphide\ Ni\ g/t \times 0.000433 + Sulphide\ Co\ g/t \times 0.000428 + Rh\ g/t \times 2.7211$. The assumed metal prices used in the Pt-Eq formula are: Pt US\$1,470/oz, Pd US\$400/oz, Rh US\$4,000/oz, Au US\$875/oz, Ag US\$14.30/oz, Cu US\$2.10/lb, Ni US\$7.30/lb and Co US\$13.00/lb. The assumed process recoveries used in the Pt-Eq formula are: Pt 75%, Pd 75%, Rh 75%, Au 50%, Ag 50%, Cu 90%, and Ni and Co in sulphide 90%. The assumed smelter recoveries used in the Pt-Eq formula are Pt 85%, Pd 85%, Rh 85%, Au 85%, Ag 85%, Cu 85%, Ni 90% and Co 50%. Ni and Co in sulphide were estimated by linear regression of MgO to total Ni and total Co respectively. The regression formula for Ni in sulphide (NiSx) is: $NiSx = Ni - (MgO\% \times 60.35 - 551.43)$. The regression formula for Co in sulphide (CoSx) is: $CoSx = Co - (MgO\% \times 4.45 - 9.25)$.

Cross references to previous market announcements:

- *Thunder Bay North Open Pit Resources – refer Magma Metals Limited (ASX:MMW) announcement dated 7 February 2011 titled “Positive Scoping Study for Thunder Bay North Project”*
- *Thunder Bay North Underground Resources – refer Magma Metals Limited (ASX:MMW) announcement dated 23 February 2012 titled “Magma Metals Increases Mineral Resources at TBN to 790,000 Platinum-Equivalent Ounces”*
- *Panton - refer ASX announcement dated 30 September 2015 titled “Mineral Resources and Ore Reserves at 30 June 2015”*