

ASX ANNOUNCEMENT

15 April 2020

Operations Update**KEY POINTS**

- Temporary suspension of operations at Savannah Nickel Mine
- Production and cost guidance withdrawn
- Progression of potential funding options continues

Panoramic Resources Limited (ASX: PAN) (**Panoramic**) provides an update on its operations and guidance.

There are currently no cases of COVID-19 reported at the Savannah Nickel Mine. However, the situation is rapidly evolving and has changed materially since the Company provided its 27 March 2020 COVID-19 update. In particular, the pandemic is adversely impacting operations, including transportation, availability and cost of personnel, equipment and supplies at site, and controls at site, particularly given the heightened sensitivity within the Kimberley region and communities close to the operation.

The safety and wellbeing of our employees and contractors is paramount, as is that of the communities in which we live and operate. In the Company's view, the circumstances surrounding COVID-19 could continue for several months.

The combination of this significant operational uncertainty, including the restraints beyond Panoramic's control that it imposes and its disruption and cost, plus managing the ramp up of Savannah North (including managing issues which have previously been outlined by the Company), has resulted in the Panoramic Board taking the decision to immediately suspend operations at the Savannah Nickel Mine.

Essential services, safety and environmental monitoring will continue, with the underground operations to cease in an orderly manner and processing of ore expected to cease by the end of this week. In relation to the suspension of operations generally, Panoramic will be working with its employees and contractors to ensure this occurs consistent with relevant contractual entitlements and in a way that is the least disruptive in the circumstances.

Given these matters, Panoramic also withdraws its previously provided production and cost guidance.

As previously indicated, further funding is required to support the ramp up of Savannah North and the Company remains in discussions with a number of parties around providing that funding (both debt and equity). Panoramic notes that there is no guarantee of any transaction being completed.

The temporary suspension at the Savannah Nickel Mine will have the benefit of preserving cash whilst these funding options are progressed. During this period of operational suspension, Panoramic will continue to closely review its operating strategy to ensure that, when the restart of operations occurs, efficiency and profitability is optimised and a robust and appropriate funding structure is in place. In doing so, Panoramic intends to work closely with its lenders, contractors, suppliers and other business partners in order to determine the best path forward.

Panoramic has requested suspension of trading in its shares on the ASX until this review is complete and a funding pathway is finalised.

Panoramic will continue to provide updates as developments occur.

Managing Director and CEO, Victor Rajasooriar, commented: *“This has been a difficult decision to take but is unquestionably the right one for the current operating environment and Panoramic’s particular circumstances. We believe that it will protect the welfare of our staff and contractors, and the surrounding communities, as well as target the preservation of shareholder value through these difficult times. We greatly appreciate the support of all our stakeholders through this period in what is an incredibly challenging environment for them also.”*

This ASX release was authorised by the Board of Panoramic.

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