



18 August 2014

ASX: PAN

Guidance on FY2014 Results and 2c Final Dividend

Key points

- Estimated 2nd half FY2014 operating cash flow of ~\$42 million
- Estimated 2nd half FY2014 NPAT of ~\$14 million
- Estimated full year FY2014 NPAT of ~(\$9 million)
- 2c final dividend declared, fully franked, payable on 26 September 2014

Details

In accordance with ASX Listing Rule 3.1 (Continuous Disclosure), and based on preliminary unaudited financials, the Company is delighted to report an estimated ~\$42 million positive cash flow from operating activities and ~\$14 million net profit after tax for the second half of FY2014. The Company also advises that it expects to report a FY2014 consolidated Group after tax loss in the vicinity of \$9 million. Table 1 presents a summary of the estimated FY2014 results compared to FY2013.

Table 1: Preliminary, Unaudited FY2014 Results

	1 st Half Actual	2 nd Half Estimate	Full Year 2014 Estimate	Full Year 2013 Actual
Financials (A\$ million)				
Total net revenue*	\$98.5	\$140.0	\$238.0	\$181.8
Depreciation and amortisation (D&A)	(\$29.3)	(\$31.0)	(\$60.0)	(\$54.4)
Profit/(Loss) before tax and impairment	(\$17.8)	\$20.0	\$2.0	(\$39.0)
Impairment	(\$13.1)	-	(\$13.1)	(\$8.0)
Profit/(Loss) before tax	(\$30.9)	\$20.0	(\$11.0)	(\$47.0)
Net profit/(loss) after tax	(\$23.3)	\$14.0	(\$9.0)	(\$31.7)
Cash flow from operating activities before tax	\$12.6	\$42.0	\$55.0	\$23.0
A\$ average cash nickel price	\$6.84/lb	\$8.19/lb	\$7.52/lb	\$7.23/lb
Payable Nickel Cash Cost, including royalties	\$5.47/lb	\$5.35/lb	\$5.41/lb	\$6.18/lb
Dividend (cents/share)	-	2.0	2.0	1.0
Nickel produced/sold				
Nickel (tonnes) produced**	10,803	11,453	22,256	19,561
Nickel (tonnes) sold**	10,740	11,647	22,387	18,959

* Net of by-product credits, smelter/ concentrate treatment charges and profit/(losses) on commodity/foreign exchange currency hedges

** Nickel in concentrate from Savannah and nickel in ore from Lanfranchi



Commentary

The full year FY2014 preliminary financial results reflect:

- the positive impact on sales revenue from the record nickel production (up 14% on FY2013);
- the increase in the A\$ nickel price since February 2014; and
- the reduction in costs across the business (down 12% on FY2013 on a payable nickel cash cost basis, including royalties).

Non-cash depreciation and amortisation (D&A) expense totaled ~\$60 million for the year, up 11% on FY2013, attributable to the D&A charged on a unit of production basis from the 14% additional ore tonnes mined.

The preliminary FY2014 consolidated financial results reported here are subject to the completion of the full year audit review by the Company's auditor before the end of August.

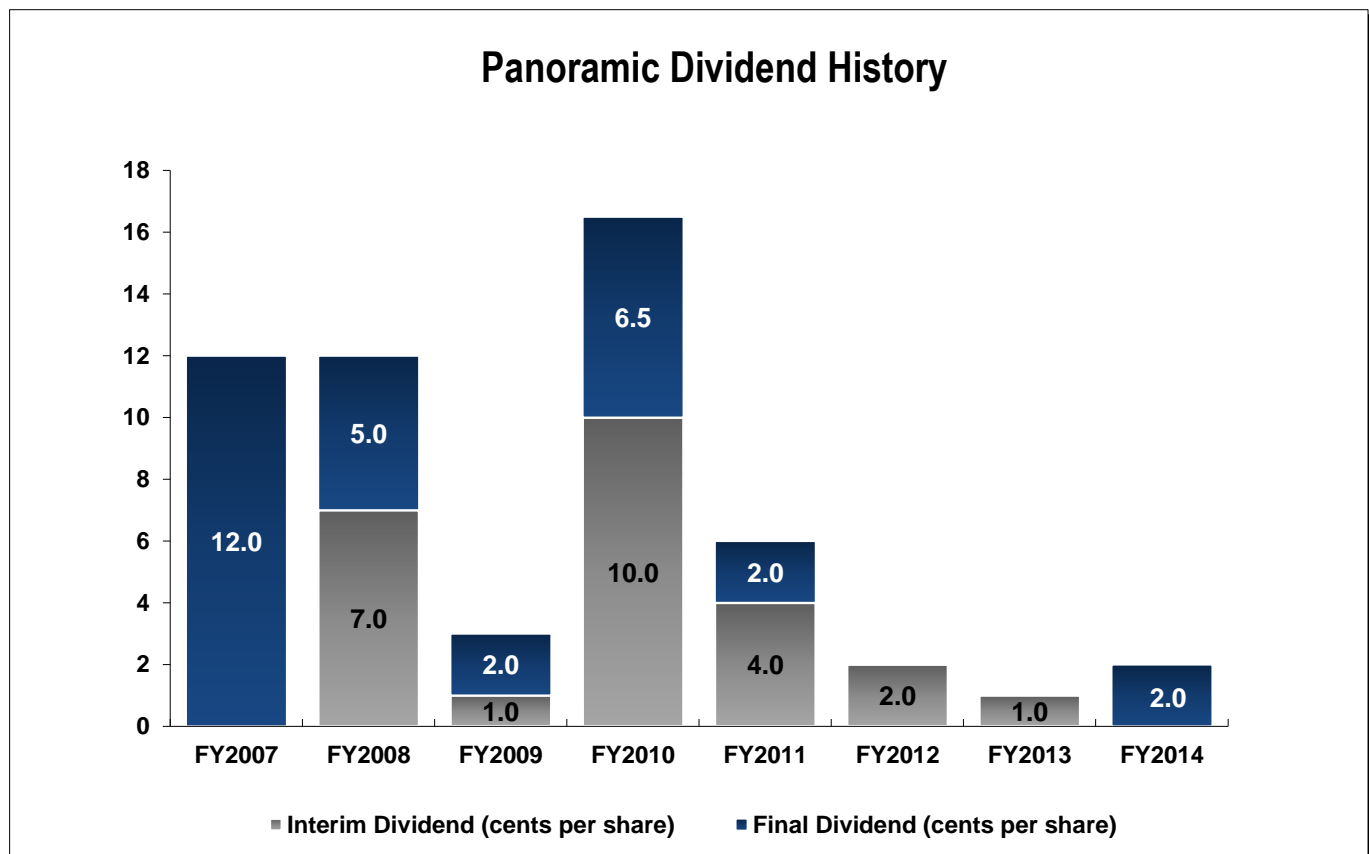
Final Dividend

The Panoramic Board is pleased to declare a final, fully franked dividend of 2 cents per share. This dividend reflects the solid operating cash margin and profit generated by the Nickel Division in the second half of the financial year due to the increase in the nickel price and the record production of 22,256t Ni contained in concentrate/ore.

Aggregate fully franked dividends paid over the last eight financial years will total 54.5 cents per share, equating to \$111.1 million.

The details of the dividend payment are as follows:

- Ex-Dividend Date Monday, 15 September 2014
- Record Date 5.00pm (WST) Friday, 19 September 2014
- Payment Date Friday, 26 September 2014





About the Company

Panoramic Resources Limited (ASX Code PAN, ABN 47 095 792 288) is an established Western Australian mining company operating two 100% owned underground nickel sulphide mines, the Savannah Project in East Kimberley and the Lanfranchi Project near Kambalda, Western Australia. On a Group basis, **Panoramic had record production of 22,256t contained nickel in FY2014 and is forecasting to produce between 20,000 and 21,000t contained nickel in FY2015.** Panoramic has a solid balance sheet, no bank debt and a growing nickel, gold and PGM resource base, employing more than 400 people (including contractors).

Panoramic also owns significant gold and PGM development projects:

- The Gidgee Gold Project, located near Wiluna, Western Australia;
- a 70% interest in the Mt Henry Gold Project, near Norseman, Western Australia;
- the Panton PGM Project, approximately 60km south of the Savannah Project in the East Kimberley; and
- the Thunder Bay North PGM Project in Northern Ontario, Canada, where Panoramic and Rio Tinto Exploration Canada Inc. (RTEC) are jointly carrying out a review of all existing data for Thunder Bay North and RTEC's Escape Lake tenement until December 2014, when RTEC may exercise an option to spend up to CAD\$20 million over the next five years to earn a 70% interest in Thunder Bay North.

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.

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