

**PANTORO**

**Annual General Meeting 2016**

ASX:PNR



# Disclaimer & Competent Person's Statement

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## Compliance Statements

- **Halls Creek Project – Exploration Targets, Exploration Results and Mineral Resources** – The information in this report that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Mr. Scott Huffadine B.Sc. (Hons) MAusIMM who is an employee of Pantoro Limited. Mr. Huffadine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Huffadine consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Huffadine is eligible to participate in short and long term incentive plans of and holds shares and options in the Company as has been previously disclosed.
- **Halls Creek Project – Ore Reserves** – The information in this report that relates to Ore Reserves is based on information compiled by Mr. Paul Cmrlec (B. Eng (Mining) (Hons)), MAusIMM who is the Managing Director of Pantoro Limited. Mr. Cmrlec has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Cmrlec consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Cmrlec is eligible to participate in short and long term incentive plans of and holds shares and options in the Company as has been previously disclosed.
- **Halls Creek Project – Nicolson's Mine – Mineral Resources & Ore Reserves** – The information is extracted from Pantoro's 2016 Annual Report which is available to view on Pantoro's website ([www.pantoro.com.au](http://www.pantoro.com.au)). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.
- **Halls Creek Project – Open Pit Mineral Resources & Ore Reserves** - The information is extracted from the report entitled 'Open Pit Mining to Expand Nicolson's Production' created on 12 May 2016 and is available to view on Pantoro's website ([www.pantoro.com.au](http://www.pantoro.com.au)). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

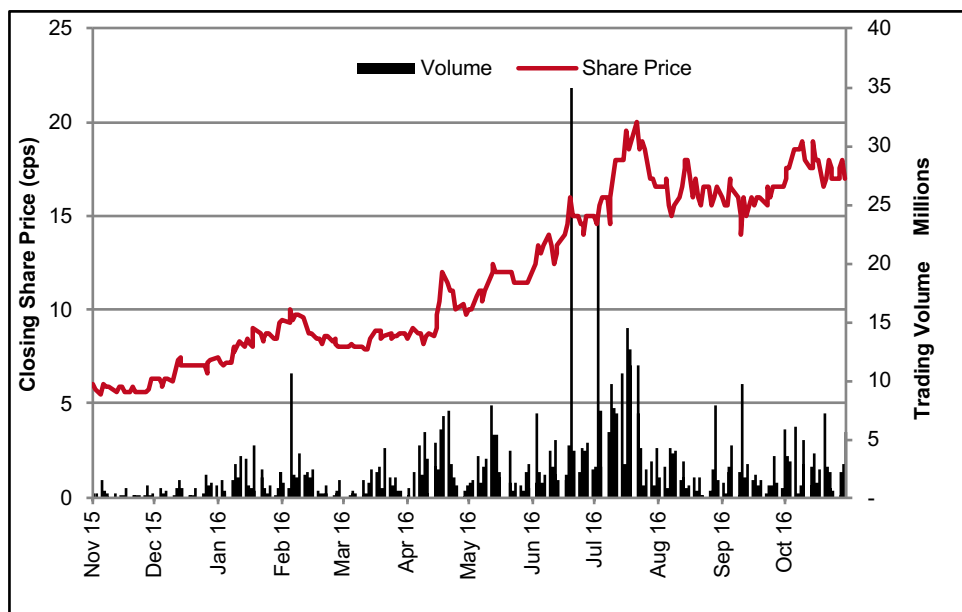
## Major Events

- Re-commenced underground diamond drilling in March 2016
- Acquired final 20% of Halls Creek Project, effective 1<sup>st</sup> May 2016
- Upgraded Mineral Resource and Ore Reserve in May 2016
- Restructure of CBA gold pre-payment facility in July 2016
- Changes to the composition of the Board in October 2016
- Commencement of open pit mining in October 2016
- **Ramped up production throughout the year**



# Corporate Overview of Pantoro

## Share Price



## Board:

- Michael Jefferies – Non-Executive Chairman
- Paul Cmrlec – Managing Director
- Scott Huffadine – Operations Director
- Kyle Edwards – Non-Executive Director

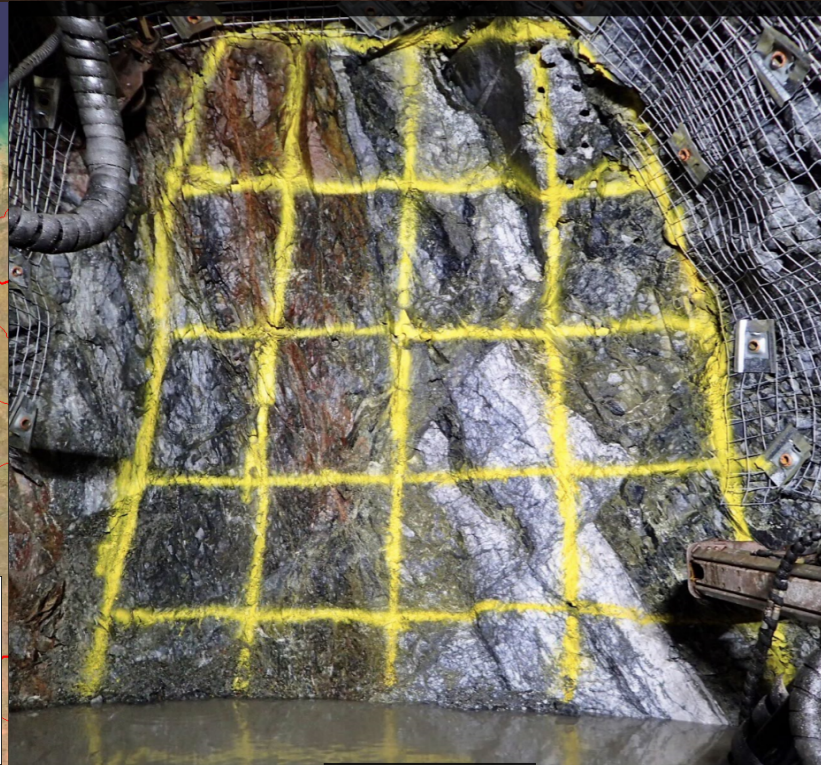
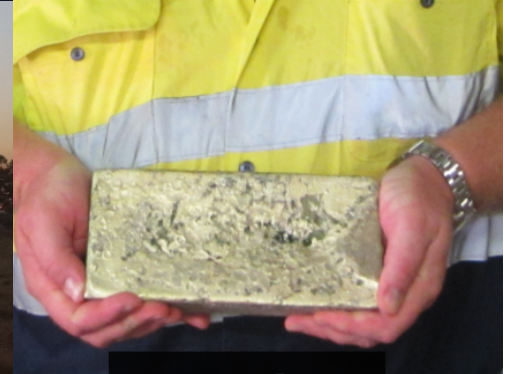
## Capital Structure

Share Price (28/11/16)	\$0.18
Ordinary Shares	742.5 million
Listed Options	34.5 million
Other options and rights	14.4 million
Fully Diluted	791.5 million
Market Capitalisation	\$133.7 million
Cash and gold (30/9/16)	\$12.1 million
Debt	8,179 oz Au
Top 20	58.7%
Top Holders	
Bell Potter Nominees Ltd	14.7%
HSBC Custody Nominees (Aust) Ltd	9.3%
Citicorp Nominees Pty Ltd	8.7%
Ajava Holdings Pty Ltd	3.3%
Bulletin Resources Ltd	3.3%





# Nicolsons Gold Mine





# Pre-Commencement Development Strategy

## Simple strategy aimed at minimising capital cost

- Develop known ore reserve to generate cashflow.
- Delay additional underground exploration until mine cashflow could sustainably support activities but commence as soon as practicable.
- Demonstrate quality of orebody prior to plant expansions and open pit mining.
- Commence open pit mining at Wagtail prior to regional exploration.
- Explore existing tenement package once sustainable from cashflow.
- Consider acquiring additional tenements once operations are adequately advanced.
- ✓ Production from September 2015.
- ✓ Commenced underground drilling 6 months after first production.
- ✓ Strong positive reconciliations
- ✓ Approved in Sep 16, Mining from Oct 16.
- ✓ Exploration drilling, mapping and geophysics underway.
- ✓ First stage expansion close to complete, acquiring additional tenements locally





# Continuing Growth

ACTUAL				PLAN		
4,180 Oz AISC \$1502/Oz	4,583 Oz AISC \$1607/Oz	6,673 AISC \$1191/Oz	7,375 Oz AISC \$1244/Oz	7,500 – 9000 Oz	10,000 – 12,000 Oz	50 – 60KOz PA run rate
Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	<i>And Beyond...</i>

First full quarter of production

Mother Lode Discovered

Significantly more gold on first 3 levels than modelled in Ore Reserve

Mother Lode found to be gaining strike length & grade

Underground diamond drilling commences with excellent results

Pantoro agrees to acquire 100% of project

Ore Reserve increases by ~50% and Darcy Lode subsequently discovered

Wagtail Open Pit Approvals Submitted

Open Pit grade control and infill drilling reveals numerous very high grade intersections

Processing plant ramping up with throughput capacity increased by 40% by end of period

Open Pit Mining Commences with reliable ore feed from late November

Plant operating at 25tph

Higher proportion of stope ore further improving mill feed

Project scale regional exploration drilling and airborne geophysical surveys commence.

Finalising plant upgrades and reaching 50,000KozPA run rate by end of quarter

Exploration below Wagtail to defining a second underground operation

Surface exploration drilling ramping up

Mineral Resource and Ore Reserve Update

Feasibility design and costing for further plant expansion to 80 – 100KOz PA to be complete

Sustainably operating at 50 Koz PA production rate

Expanding Nicolson's underground production rate

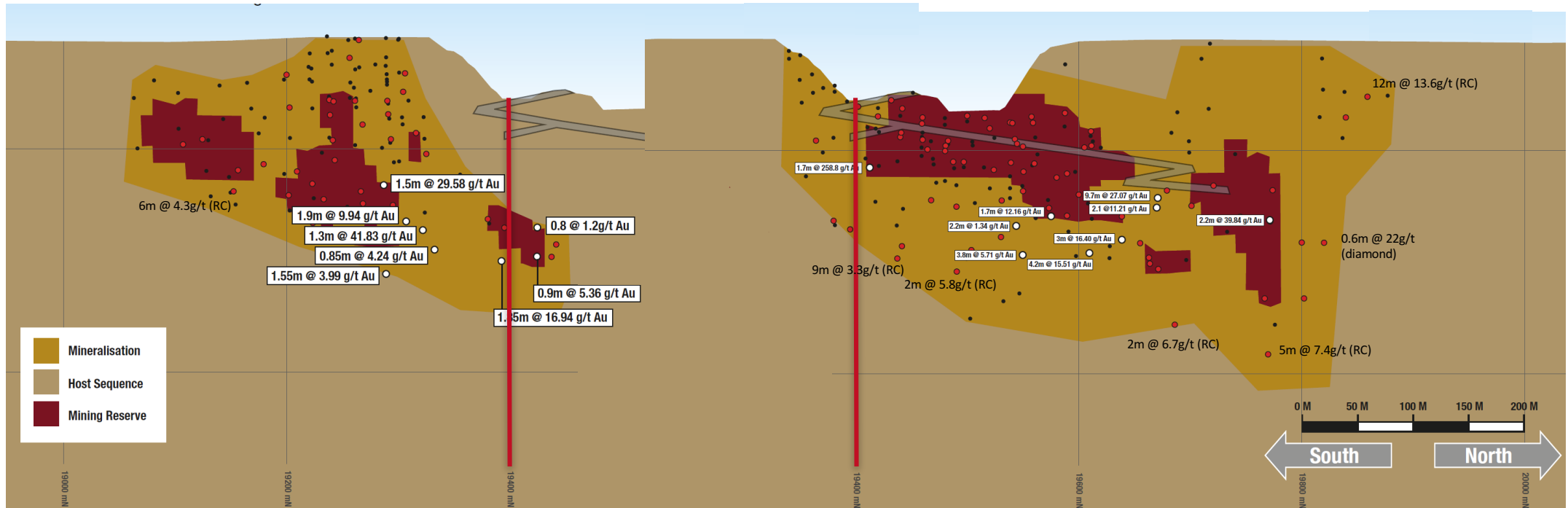
Drill out additional lodes, assess acquisition opportunities



# High grade and Open in All Directions

Johnston Lode (south)

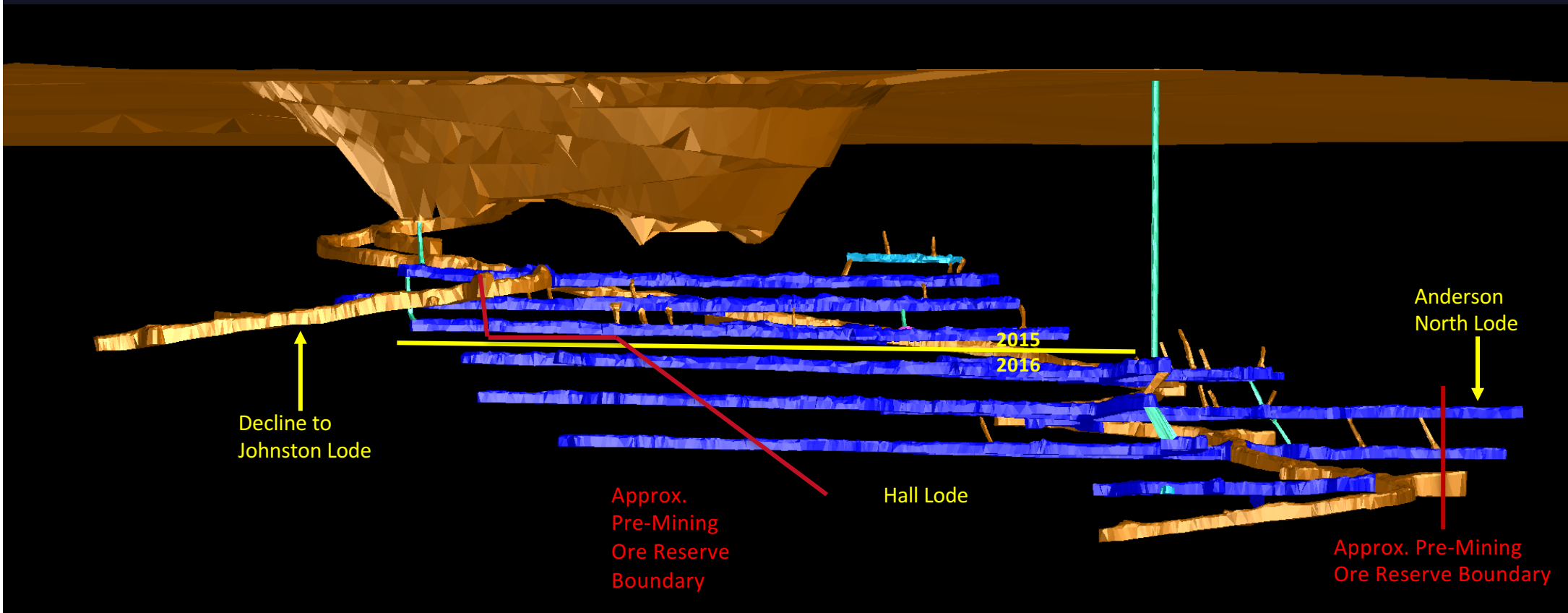
Hall/Anderson Lode (north)



- Ongoing drilling returning high grades at depth
- Developing new platforms that will allow depth extension across the resource
- Development and diamond drilling has consistently out-performed historical RC drilling results

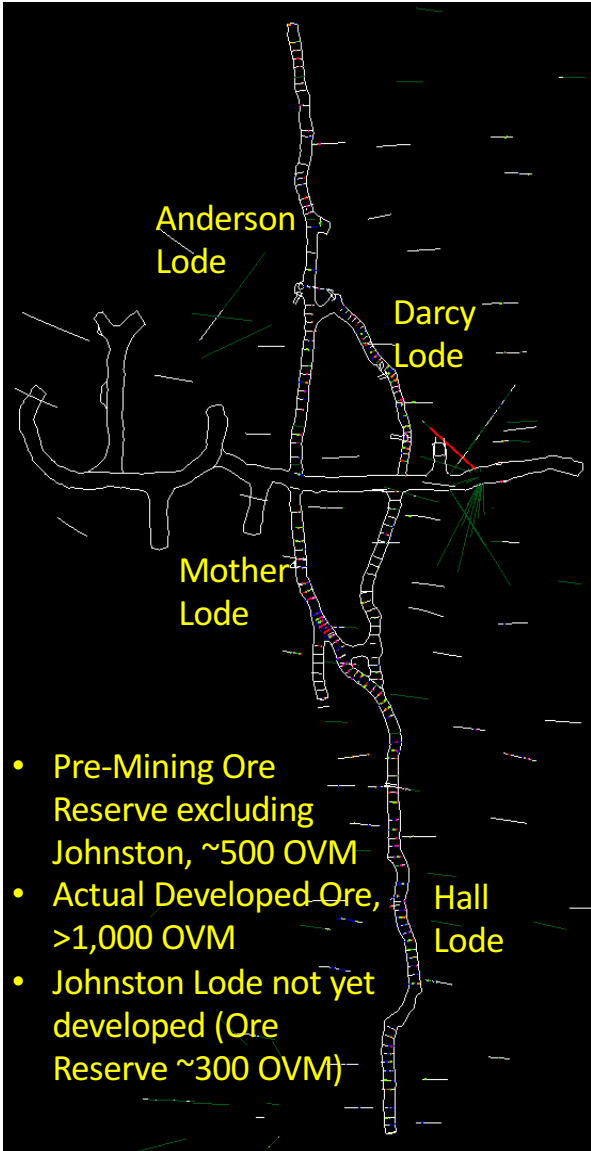


# Underground Mining Progress



- Substantial strike length extension to pre-mining Ore Reserve
- Hall Lode contained ounces approximately 130 – 150% of original Ore Reserve
- Have not yet commenced mining Johnston Lode – with pits underway additional drilling and set up possible without affecting production profile.
- Addition of Mother and Darcy Lodes

# 2170 Level – Darcy Lode

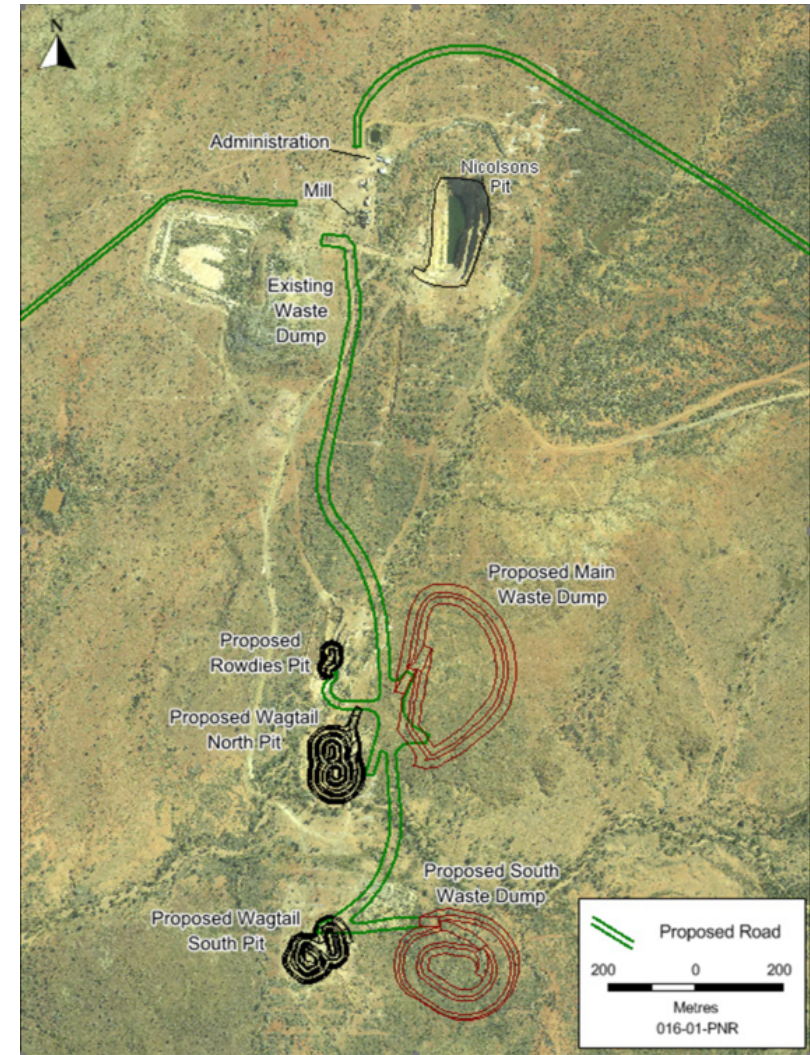






# Rowdies and Wagtail: A Repeat of Nicolson's?

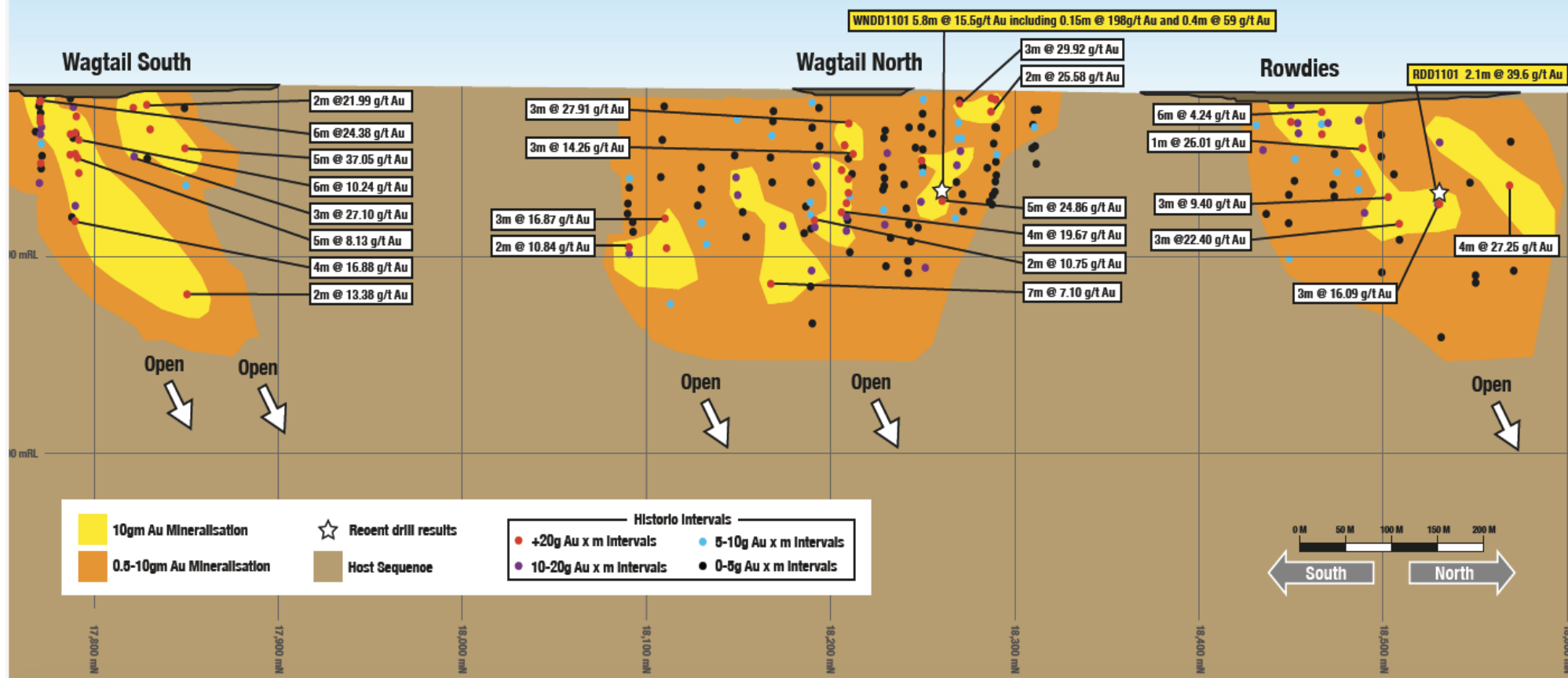
- Only 1.5 km south of Nicolson's
- Reserve 96.5kt @ 5.55g/t
- 9 month life with positive cash flow from month 2
- Fully permitted, contractor mobilised to site with works underway
- Ore mining from November 2016
- Outstanding infill drilling results including\*:
  - 13 m @ 17.66 g/t Au including 8 m @ 26.97 g/t Au.
  - 3 m @ 12.42 g/t Au.
  - 6 m @ 6.20 g/t Au.
  - 12m @ 7.2 g/t Au.
  - 2m @ 16.43 g/t Au.
  - 3 m @ 44.34 g/t Au, including 1 m @ 130 g/t Au.
  - 4 m @ 8.10 g/t Au.



\*Announced to ASX on 29/8/2016 and 22/9/2016

# Rowdies and Wagtail long Section

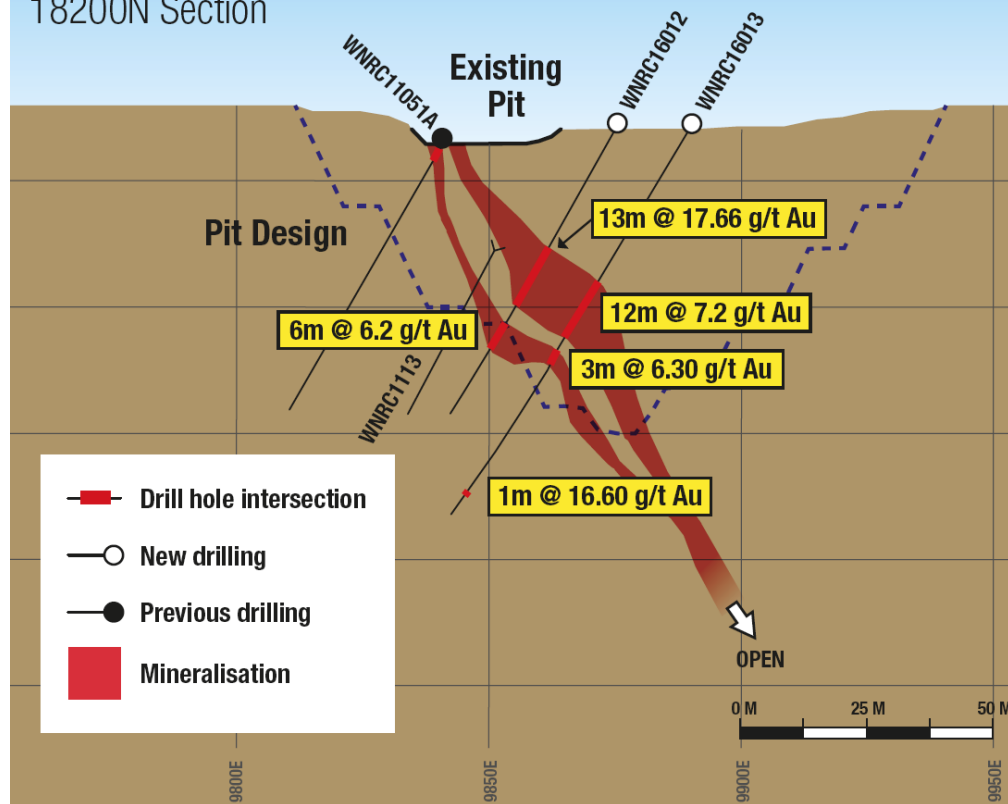
## Open Pits Long Section Schematic





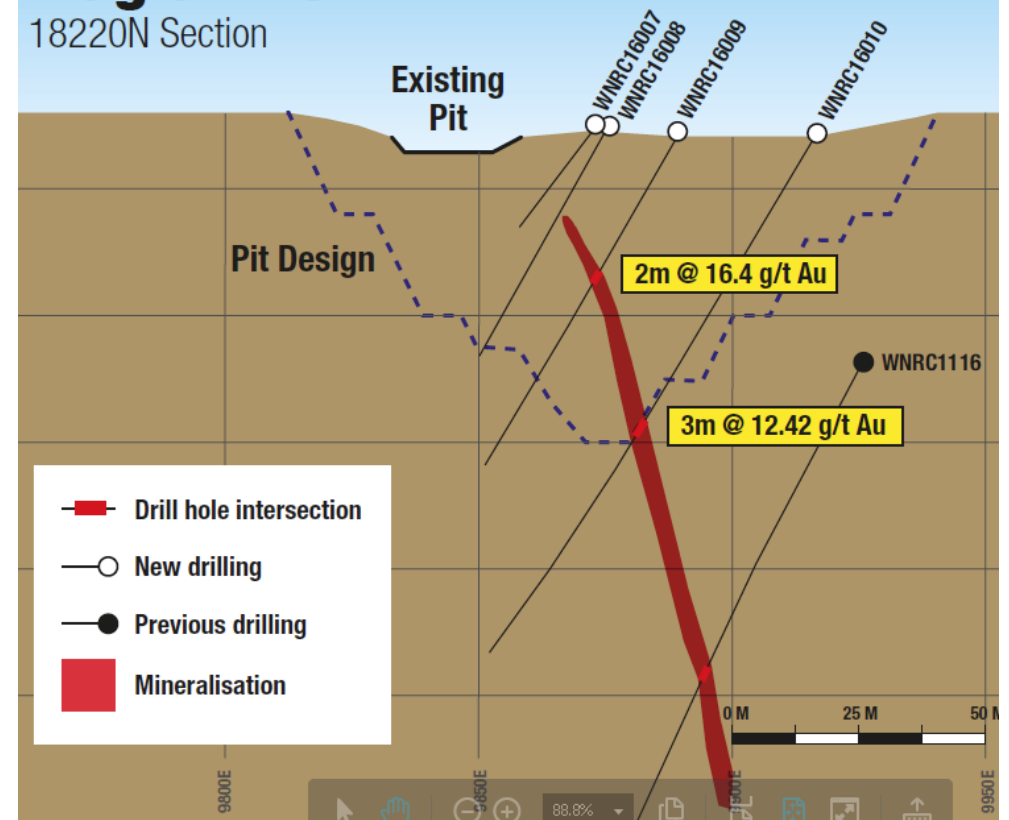
## Wagtail North

18200N Section



## Wagtail North

18220N Section

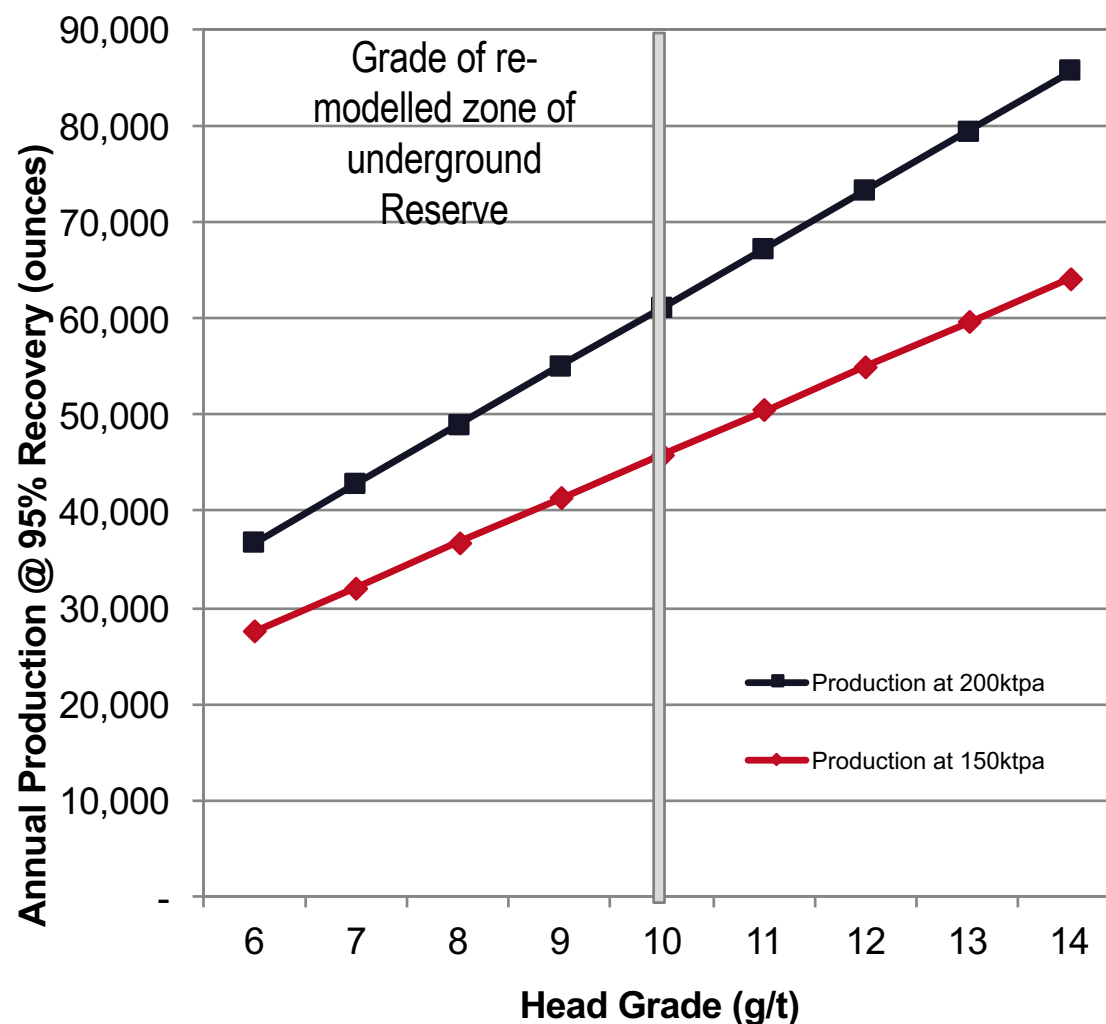


Drilling under open pits for potential underground mining opportunities to commence  
December 2016



# Increasing Grade and Throughput

- Plant is currently operating well, has achieved and exceeded feasibility expectations.
- Now able to operate at 200,000 Kt per annum throughput rate.
- Fixed tertiary crusher installation to replace temporary mobile solution.
- Reviewing options for future expansion to 350 – 400Kt per annum run rate.
- Achieving 98% recovery.





# Unlocking the Future

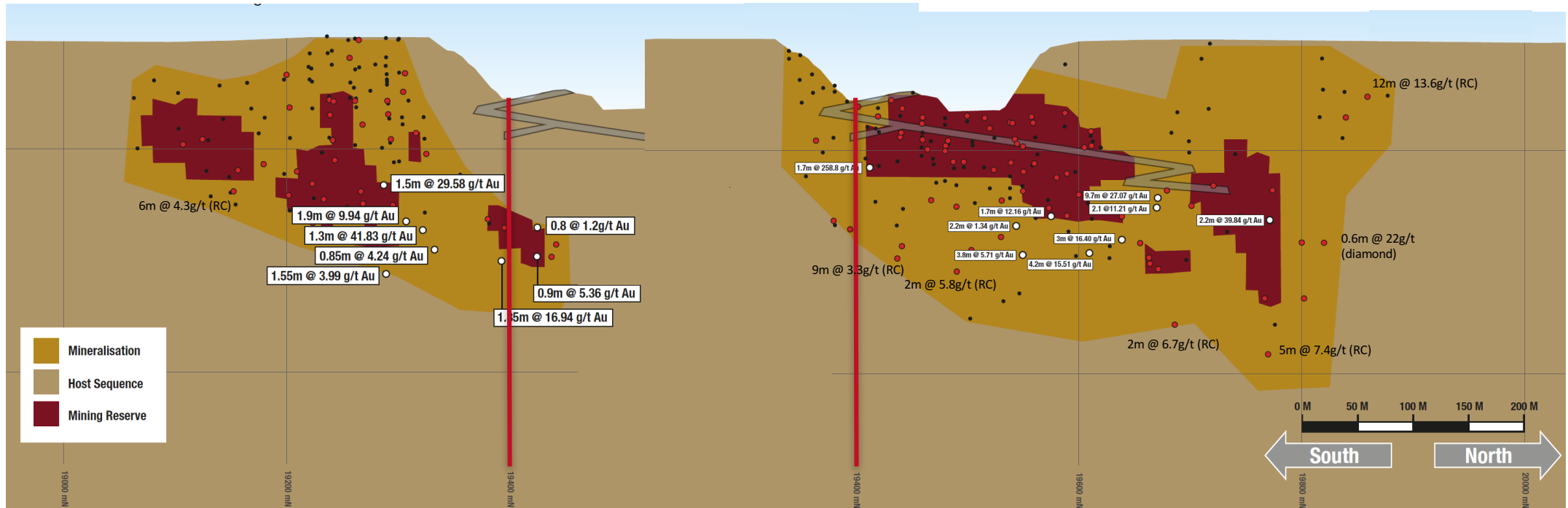
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# High grade and Open in All Directions

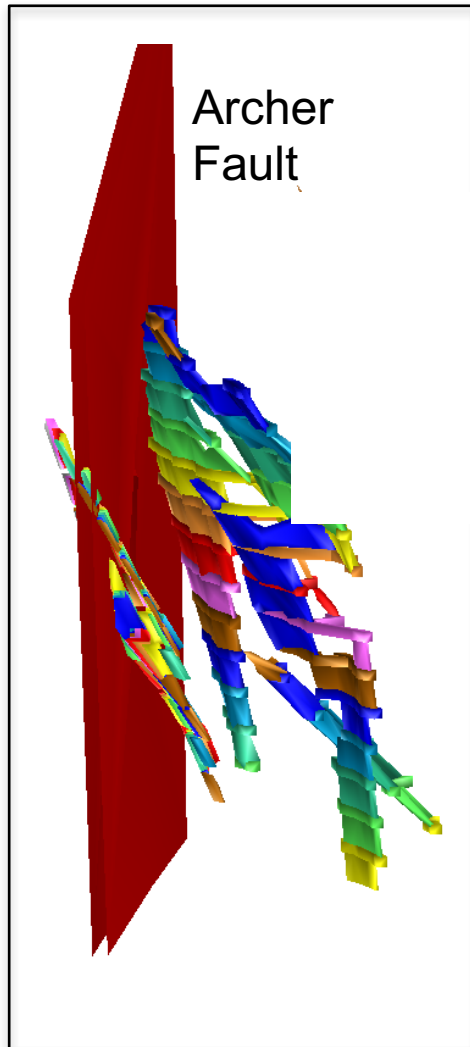
Johnston Lode (south)

Hall/Anderson Lode (north)

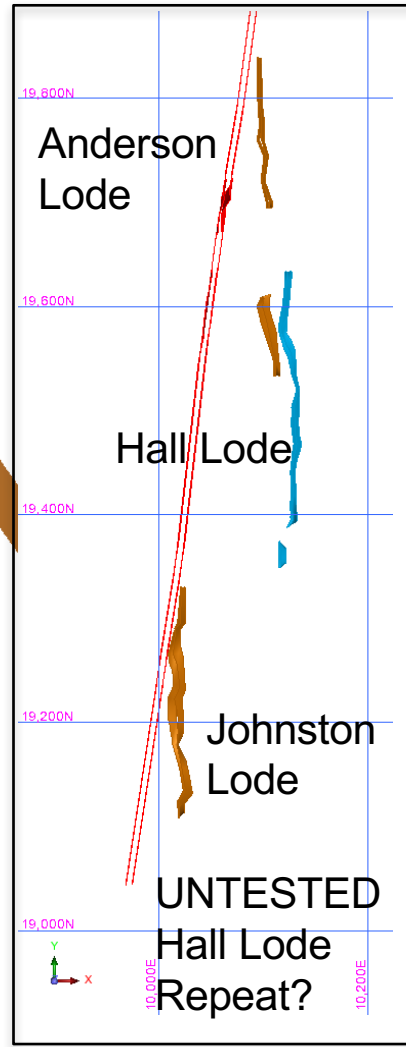


- Ongoing drilling returning high grades at depth
- Developing new platforms that will allow depth extension across the resource
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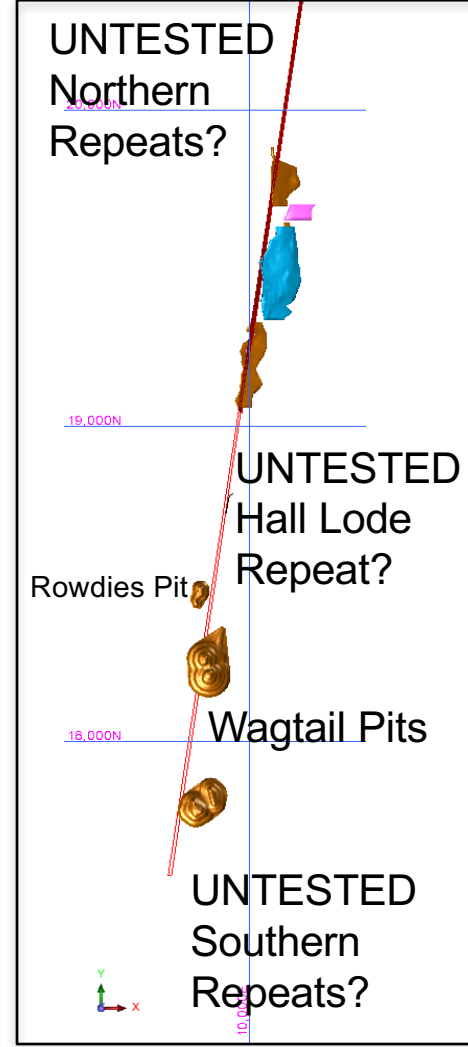
# Archer Fault Exploration



Isometric Original Reserve



Nicolsons Plan 2160mRL

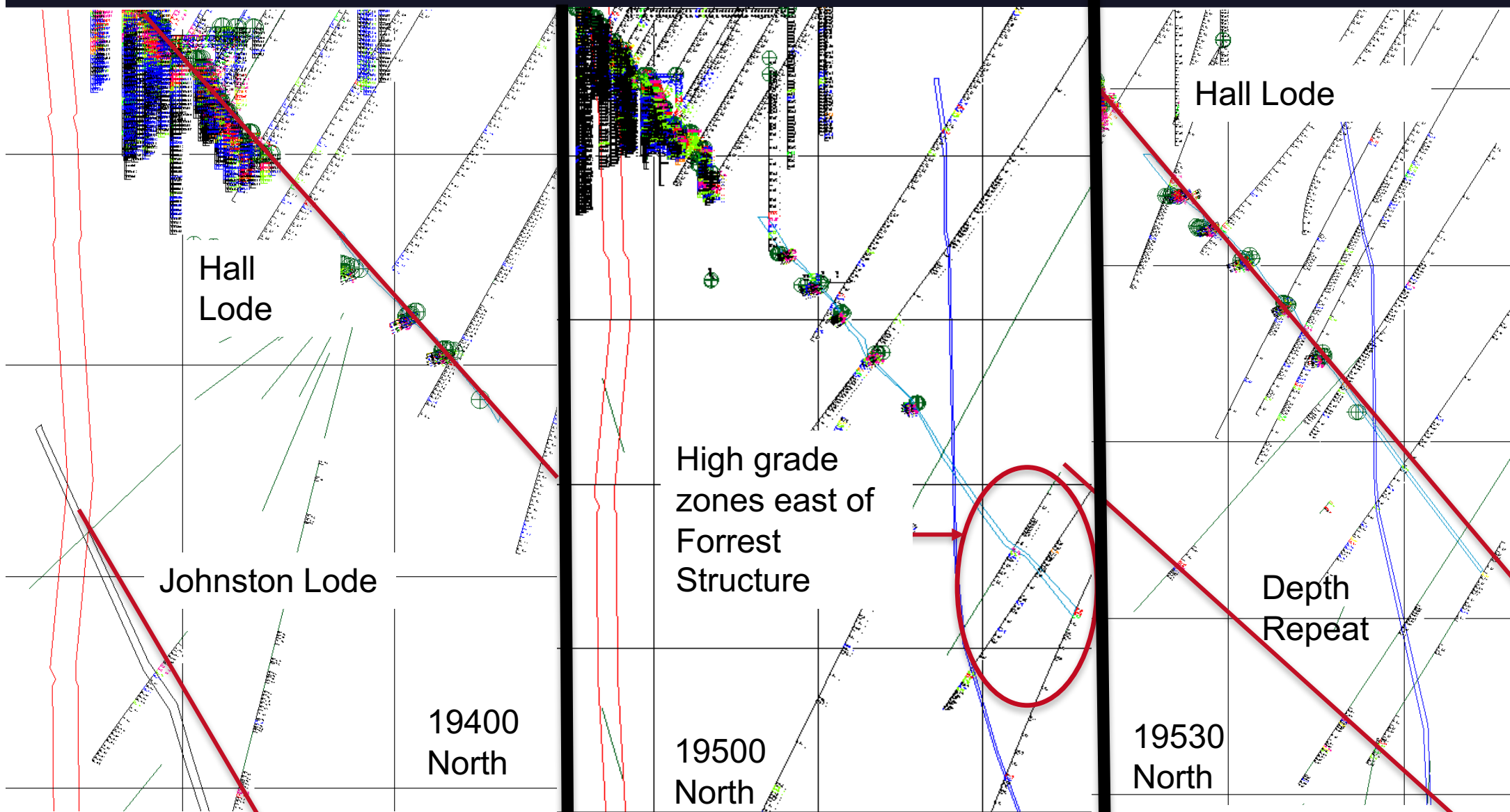


Regional Plan View

- Underground development and drilling has defined the Archer Fault
- Spatial control on mineralisation
- Strong zone mapped in Wagtail pits
- Effectively untested north and south of known deposits



# Understanding the Structure





# Regional Exploration Opportunities

Springvale Fault - 1.5km Outcrop up to 10m Wide, historical high grade surface rockchip samples and drilling with no systematic exploration in last 12 years

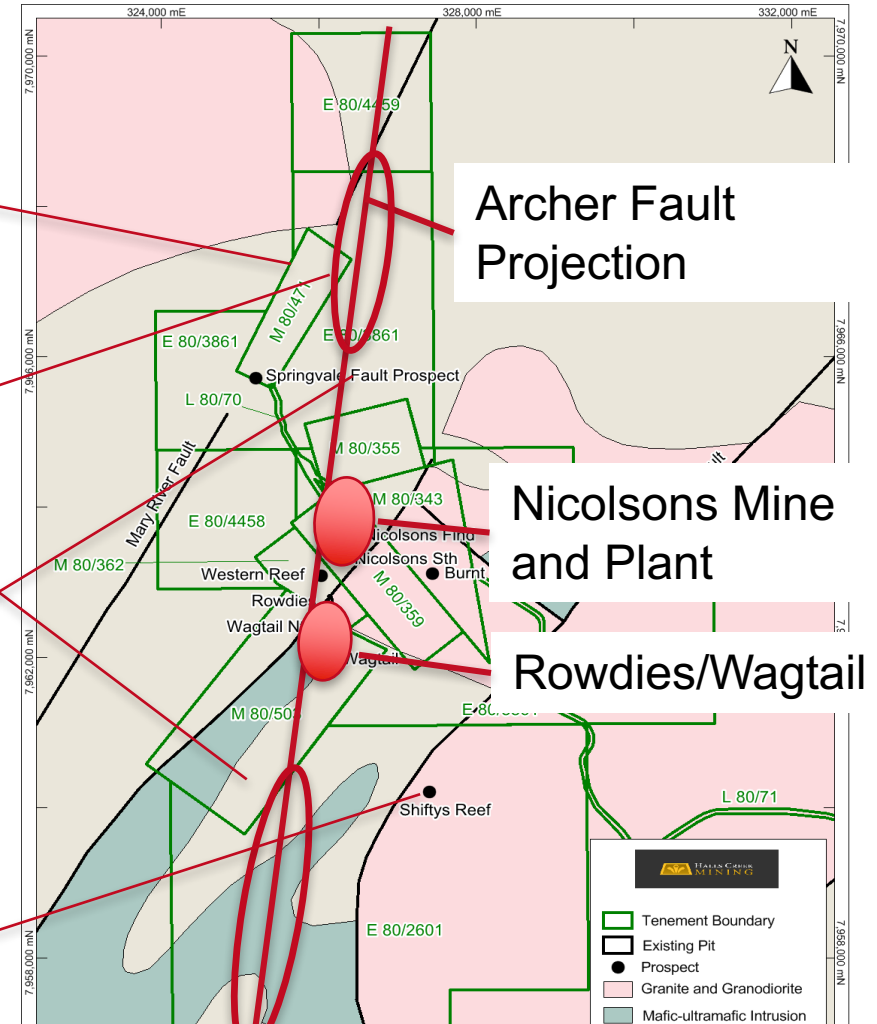
VERY POORLY TESTED ALONG STRIKE OF ARCHER FAULT

Nicolsons North – 12m @ 13.6g/t from 55m, infill drilling underway

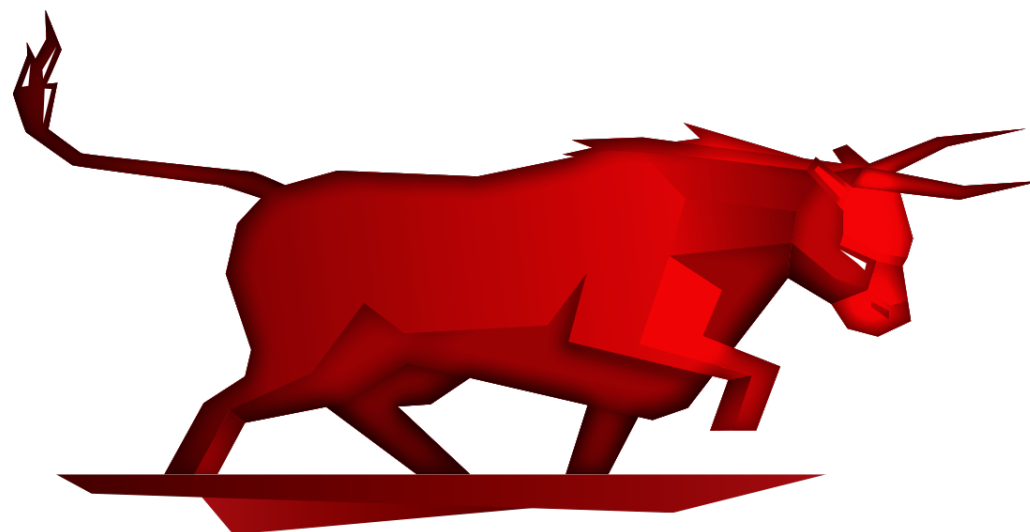
Hyena Rock-Chip Samples 22 and 32 g/t

Shiftys/Paddock Well – 700m long outcrop. Best historical results to date 2m @ 8.3g/t Au

DRILLING UNDERWAY



NICOLSONS PROCESSING PLANT IS THE ONLY GOLD PROCESSING FACILITY WITHIN 300KM



**PANTORO**