



ASX Announcement
13 July 2017

Continued Increase in Quarterly Production At Nicolsons

Pantoro Limited (**ASX:PNR**) (**Pantoro**) is pleased to provide a summary of key events and operational statistics achieved during the June 2017 quarter ahead of releasing the quarterly activities and cashflow report. Key highlights during the quarter included:

Production Growth

- 11,828 ounces produced compared with 10,348 ounces in the March quarter, a 14% increase quarter on quarter, and a 77% increase compared with the same period last year.
- Tonnage processed for the period increased to 57,073 tonnes, surpassing the annualised run rate target of 200,000 tonnes per annum. Based on current throughput, annualised processing rates of 230,000 tonnes per annum are now achievable.
- Open pit production operated on day shift only for the period and production further increased with approximately 26,174 tonnes mined at a grade of 4.85 g/t Au, plus 5,807 tonnes of low grade stockpiled separately. Total movement including waste was 316,916 BCM.
- Underground production of approximately 35,145 tonnes mined at a grade of 7.98 g/t Au plus 5,301 tonnes of low grade stockpiled separately. Initial ore development in the Johnston Lode from the south decline identified higher grades than anticipated in the Mineral Resource model. A splay structure named the Bobby Lode was also identified and developed.
- Surface stockpiles of ore continued to build with 19,969 tonnes @ 5.05 g/t Au including 4,085 tonnes @ 7.54 g/t for 991 ounces of crushed ore, and a further 36,927 tonnes @ 1.86 g/t of low grade material for a total of 56,896 tonnes @ 2.98 g/t for 5,453 ounces available for processing.

High Grade Drill Results Extend the Johnston and Hall Lodes

- Drill results in the Hall, Anderson and Johnston lodes demonstrated the continuity of ore in the system. Best results included:
 - » 2.7 m @ 218.8 g/t from 134 m downhole inc. 1.7 m @ 346.7 g/t from 135 m down hole.
 - » 1.15 m @ 90.4 g/t from 147 m down hole.
 - » 1.65 m @ 21.9 g/t from 160 m down hole.
 - » 1.1 m @ 34.62 g/t from 151 m down hole.
 - » 1.05 m @ 15.2 g/t from 118 m down hole.
- Please refer to the ASX announcement dated 8 May 2017 for full details.

Mineral Resource & Ore Reserve Update

- The annual Mineral Resource and Ore Reserve statement was completed in May. The positive drilling and ore development results during the year delivered a major increase in contained metal.
- The total Mineral Resource now stands at 1.58 million tonnes @ 7.43 g/t for 376,701 ounces, a 73% increase after mining depletion.
- The total Ore Reserve now stands at 773,252 tonnes @ 7.35 g/t for 182,823 ounces, a 62% increase after mining depletion.

Pantoro Limited
ABN 30 003 207 467

t: 08 6263 1110 | e: admin@pantoro.com.au | w: www.pantoro.com.au
PO Box 1353 West Perth WA 6872 | 1187 Hay Street, West Perth WA 6005

- Taking historic production of approximately 74,000 ounces into account, the total known gold endowment for the project is now over 451,000 ounces. Ongoing exploration continues to extend the known mineralised zones at the project, and further rapid growth of the Mineral Resource and Ore Reserve is a priority for the company. The board approved increased drilling from underground and surface positions during the coming financial year, with identification of potential underground ore sources at Wagtail being a priority,
- Regional exploration is also advancing following the wet season with additional drill targets defined across tenements utilising geophysical data combined with field mapping and surface sampling.
- Please refer to the ASX announcement dated 1 June 2017 for full details.

Corporate

- Debt position reduced by 1,500 ounces to 5,000 ounces.
- Cash and gold at the end of quarter of \$11.9 million.^

Managing Director Paul Cmrlec said:

“Operational results at Nicolsons continue to deliver in accordance with the production ramp up plan. Throughput in the mill is now at targeted levels, and both the underground and open pit mines are delivering high grade mill feed. We have almost doubled the production output compared with the same period last year, and these large upgrades have been achieved from cash flow generated by the mine.

The new Mineral Resource and Ore Reserve statement has provided security for investors in terms of mine life and we look forward to continuing to grow the gold inventory during the next financial year.”

Enquiries

Paul Cmrlec | Managing Director | Ph: +61 8 6263 1110 | Email: admin@pantoro.com.au

^ Includes \$9.67M cash and 1,412.2 ounces in gold in circuit at a closing gold price of \$1,615/oz.

Compliance Statements

High Grade Drill Results Extend the Johnston and Hall Lodes

The information is extracted from the report entitled ‘Additional High Grade Results at Nicolsons Ahead of Mineral Resource and Ore Reserve Update’ created on 8 May 2017 and is available to view on Pantoro’s website (www.pantoro.com.au) and the ASX (www.asx.com.au). Pantoro confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

Mineral Resource & Ore Reserve Update

The information is extracted from the report entitled ‘Nicolsons Project Mineral Resource & Ore Reserve Update’ created on 1 June 2017 and is available to view on Pantoro’s website (www.pantoro.com.au) and the ASX (www.asx.com.au). Pantoro 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. Pantoro 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.

Forward Looking Statements

This announcement may contain forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Pantoro, the Directors and our management. Pantoro cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.