
Panoramic Resources Limited

ABN 47 095 792 288

Prospectus

For a pro-rata accelerated non-renounceable entitlement issue to Eligible Shareholders of approximately 877,599,923 New Shares at an issue price of \$0.07 per New Share on the basis of 1.15 New Shares for every Shares held on the Record Date to raise up to approximately \$61,431,995 before expenses.

The Retail Entitlement Offer closes at 5.00pm WST on Friday, 12 June 2020 (unless extended). Valid Applications must be received before that date.

The Company is also conducting a Placement to seek to raise up to approximately \$28,712,780 (before expenses). This Prospectus is also being used for the purposes of s708A(11) of the Corporations Act to remove any trading restrictions on the sale of New Shares issued by the Company pursuant to the Placement and the Shortfall Offer.

The Entitlement Offer and the Placement are fully underwritten by the Joint Lead Managers, being Morgans and Canaccord. Refer to section 9.5 of this Prospectus for further details regarding the Underwriting Agreement.

IMPORTANT NOTICE

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents, or are in doubt as to the course you should follow, you should consult your stockbroker, accountant or professional adviser.

The New Shares offered by this Prospectus should be considered as speculative.

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Important Notes

This Prospectus is dated 25 May 2020 and was lodged with the ASIC on that date. Neither the ASIC, ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares will be issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. New Shares issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

The Company will apply to ASX for Official Quotation of the New Shares offered pursuant to this Prospectus. The fact that ASX may quote the New Shares is not to be taken in any way as an indication of the merits of the Company.

Eligible Shareholders should read this Prospectus in its entirety and seek professional advice where necessary. The New Shares the subject of this Prospectus should be considered as speculative.

An Application for New Shares by Eligible Shareholders under the Offer will only be accepted by following the instructions on the Entitlement and Acceptance Form accompanying this Prospectus as described in section 5 of this Prospectus. Applications for the Shortfall Offer from persons other than Eligible Shareholders can only be submitted by invitation from the Company.

Cooling off rights do not apply to an investment in New Shares under the Entitlement Offer. This means that you cannot withdraw your Application or payment once it has been accepted unless permitted to do so in accordance with the Corporations Act.

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus. Any information or representation which is not contained in this Prospectus or disclosed by the Company pursuant to its continuous disclosure obligations may not be relied upon as having been authorised by the Company in connection with the issue of this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the *Corporations Act*) and has been prepared in accordance with section 713 of the *Corporations Act*. It does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the *Corporations Act* and that certain matters may reasonably be expected to be known

to investors and professional advisers to whom investors may consult.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer or invitation.

International Offer Restrictions

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Bermuda

No offer or invitation to subscribe for New Shares may be made to the public in Bermuda. No invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 - Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information,

legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its Directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its Directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and also comply with the recognition and measurement requirements of the International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of

that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs

mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation"). In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the

offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's Shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- institutional accredited investors (as defined in Rule 501(a)(1), (2), (3) and (7) under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information in the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third-party service providers (including mailing houses), the ASX, the ASIC and other regulatory authorities. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (including name, address and details of the securities held) in its public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's registers is also used to facilitate corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements. If you do not provide the information required on the Entitlement and Acceptance Form the Company may not be able to accept or process your Application. An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be

charged for access. Access requests must be made in writing to the Company's registered offices.

References to "you" and "your Entitlement"

In this Prospectus, references to "you" are references to Eligible Retail Shareholders and references to "your Entitlement" (or "your Entitlement and Acceptance Form") are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Retail Shareholders.

Withdrawal of the Retail Entitlement Offer

Panoramic reserves the right to withdraw all or part of the Entitlement Offer and this Prospectus at any time, subject to applicable laws, in which case Panoramic will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. To the fullest extent permitted by law, you agree that any Application Monies paid by you to Panoramic will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Panoramic.

Governing Law

This Prospectus, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Western Australia. Each Applicant for New Shares submits to the nonexclusive jurisdiction of the courts of Western Australia.

Key definitions

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion. Please refer to section 11 of this Prospectus for a list of defined terms.

Key risks

For a summary of the key risks associated with further investment in the Company, please refer to the Investment Overview. A more detailed description of the key risks is set out in section 8.

Enquiries

If you have any questions in relation to the Entitlement Offer, please contact your stockbroker, accountant, solicitor or other professional advisor. If you have any questions in relation to the Shares upon which your Entitlement has been calculated or how to complete the Entitlement and Acceptance Form, please contact the Company Secretary by phone on +61 8 6266 8600 or by email to info@panres.com during the Offer Period.

Letter from the Chairman

Dear Shareholder,

Panoramic Resources Limited – Placement and Accelerated Non-Renounceable Entitlement Offer

On behalf of the Board, I am pleased to invite you to participate in Panoramic's fully underwritten 1.15 for 1 accelerated pro-rata non-renounceable Entitlement Offer, which together with a Placement to Western Areas Limited (**WSA**) and other sophisticated and professional investors, is anticipated to raise up to approximately \$90 million (before costs).

Company update

In recent months, the Company undertook a detailed competitive process, through its corporate advisors, to seek proposals for the recapitalisation of the company from a number of strategic and financial investors. After receiving a number of proposals, the Board of Panoramic assessed the Offer as the preferred course of action, as it was judged to involve limited conditionality, carry lower execution risk, has fewer control implications for the Company and was able to be executed in a manner consistent with the Company's urgent working capital requirements.

The Offer also includes the involvement of WSA, a successful nickel producer with a long history of technical and operational excellence. WSA's investment provides encouragement for our strategy to undertake capital development and review the mine plan at Savannah Nickel Mine. This will ensure the mine is production ready for if and when a decision is made to restart operations and we are excited to welcome WSA to our share register.

The Company and WSA have entered into the WSA Subscription Agreement, pursuant to which WSA has agreed to subscribe for such number of New Shares under the Placement that will result in WSA holding 19.9% of the Company's issued Share capital on completion of the Placement and Institutional Entitlement Offer. WSA has agreed to partially sub-underwrite the Retail Entitlement Offer to maintain up to a 19.9% shareholding in the Company following completion of the Offer. WSA has stated that it does not intend to sell any Placement Shares before the New Shares are issued in respect of the Retail Entitlement Offer.

The success of the Placement and Entitlement Offer is critical to the future of the Company, which is why it is significant that both the Placement and the Entitlement Offer are fully underwritten by Canaccord and Morgans.

Use of funds raised under the Placement and the Entitlement Offer

It is intended that proceeds of the Placement and the Entitlement Offer (after costs) will be directed towards repaying the Company's senior loan (under the Savannah Facility Agreement) followed by the Company's subordinated loan (under the Zeta Loan Facility) and general working capital (including payment of the Company's creditors). Surplus funds would then be directed towards care and maintenance costs at the Savannah Nickel Mine.

Entitlement Offer details

Under the Entitlement Offer, Eligible Shareholders as at the Record Date of 5.00pm (WST) on Wednesday, 27 May 2020 will have the opportunity to subscribe for 1.15 New

Shares in the capital of the Company for every Share held as at the Record Date, at an Offer Price of \$0.07 per New Share, being the same price as the New Shares to be issued under the Placement.

Eligible Retail Shareholders may also apply for Additional New Shares in excess of their Entitlement (capped at 50% of their Entitlement) at the same Offer Price of \$0.07 per New Share. This Top Up Facility provides an opportunity for Eligible Retail Shareholders to apply for Additional New Shares to top up their shareholdings. Please note that Board retains a discretion to scale back applications for Additional New Shares under the Top Up Facility. The Board will exercise its discretion in the interests of Shareholders, but will scale back applications, inter alia, to the extent required by applicable laws and policy, and to allow WSA to maintain up to a 19.9% shareholding in the Company on issue of the Shortfall in respect of the Retail Entitlement Offer.

Accompanying the Prospectus is your personalised Entitlement and Acceptance Form. It details your Entitlement and is to be completed in accordance with the instructions provided on the form and the instructions in the Prospectus in section 5. Eligible Retail Shareholders may also apply for Additional New Shares under the Top Up Facility using the Entitlement and Acceptance Form.

To participate, you must ensure that you have completed your Application by paying Application Monies by BPAY® before 5:00pm (WST) on the Closing Date or by lodging your completed Entitlement and Acceptance Form with your Application Monies paid by cheque or bank draft, so that they are received by Panoramic's Share Registry before 5:00pm (WST) on the Closing Date. Please note that there may be delays in receiving or returning Entitlement and Acceptance Forms by mail due to the impacts of COVID-19. BPAY is the fastest and easiest way to apply and is recommended by the Share Registry in light of delays to postal services caused by the COVID-19 pandemic. Please ensure you allow for potential delays if you plan to return your Entitlement and Acceptance Form by mail.

If you do not wish to take up any of your Entitlement, you do not have to take any action. As the Entitlement Offer is non-renounceable, you cannot trade your Entitlements.

General information

Further details of the Entitlement Offer and Placement, as well as the risks associated with investing in the Entitlement Offer are set out in the attached Prospectus. The Financial Information presented in this Prospectus is as at 31 December 2019. Please read the Prospectus (particularly the key risks in section 8 and subsequent events in section 6.7(c)) carefully and in its entirety.

On behalf of the Board, I invite you to consider this investment opportunity and thank you for your continued support.

Yours sincerely



Nicholas Cernotta
Non-Executive Chairman

Corporate Directory

| | | | |
|---|---|------------------------|--|
| Directors | Nicholas Cernotta (Non-Executive Chairman) Victor Rajasooriar (Managing Director and CEO) Peter Sullivan (Non-Executive Director) Rebecca Hayward (Non-Executive Director) Gillian Swaby (Non-Executive Director) | | |
| Company Secretary | Susan Hunter | | |
| Registered and principal office | Level 9, 553 Hay Street Perth WA 6000 Telephone: +61 8 6266 8600 Facsimile: +61 8 9421 1008 Web: www.panoramicresources.com | Share Registry* | Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace Perth WA 6000 Enquiries: 1300 850 505 (within Australia) +61 3 9415 4000 (outside Australia) |
| Joint Lead Managers and underwriters | Morgans Corporate Limited AFS Licence 235407 Level 29 Riverside Centre, 123 Eagle Street Brisbane QLD 4000 Canaccord Genuity (Australia) Limited AFS Licence 234 666 Level 4, 60 Collins Street Melbourne VIC 3000 | ASX Code | PAN |

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

1 Important Dates*

| Event | Date* |
|--|------------------------------------|
| Announcement of Placement and Entitlement Offer and Appendix 3B | Monday 25 May 2020 |
| Prospectus lodged at ASIC and ASX | Monday 25 May 2020 |
| Institutional Entitlement Offer and Placement bookbuild opens | Monday 25 May 2020 |
| Institutional Entitlement Offer and Placement bookbuild closes | Tuesday 26 May 2020 |
| Announcement of results of Institutional Entitlement Offer and Placement | Wednesday 27 May 2020 |
| "Ex" Date (date Shares are quoted ex-rights) | Wednesday 27 May 2020 |
| Record Date to determine Entitlements | 5:00pm (WST) Wednesday 27 May 2020 |
| Prospectus / Entitlement and Acceptance Form despatched | Monday 1 June 2020 |
| Retail Entitlement Offer and Shortfall Offer (as it relates to the Retail Entitlement Offer) opens (Opening Date) | Monday 1 June 2020 |
| Settlement of Institutional Entitlement Offer and Placement | Monday 1 June 2020 |
| Retail Entitlement Offer closes** (Closing Date) | 5:00pm (WST) Friday 12 June 2020 |
| Announcement of results under Retail Entitlement Offer | Wednesday 17 June 2020 |
| Settlement of Retail Entitlement Offer | Thursday 18 June 2020 |
| Issue and allotment of New Shares under Retail Entitlement Offer | Friday 19 June 2020 |
| Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX | Monday 22 June 2020 |

* These dates are indicative only. The Directors reserve the right to vary the key dates without prior notice, subject to the Listing Rules and the Corporations Act.

** The Directors may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. As such, the date the New Shares are expected to commence trading on ASX may vary.

2 Investment Overview

This section provides a summary of information that is key to a decision to invest in New Shares. This is a summary only. Potential investors should read this entire Prospectus carefully.

If you are unclear in relation to any aspect of the Offer, or if you are uncertain whether New Shares are a suitable investment for you, you should consult your financial or other professional adviser.

| Question | Response | Where to find more information |
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| What is the Entitlement Offer, what is being offered and at what price? | <p>The Entitlement Offer is an accelerated non-renounceable pro rata entitlement offer of New Shares in the Company.</p> <p>Under the Entitlement Offer, all Eligible Shareholders are being offered the opportunity to acquire 1.15 New Shares for every Share held at the Record Date at a price of \$0.07 per New Share.</p> <p>The Entitlement Offer consists of the:</p> <p>(a) Institutional Entitlement Offer: Eligible Institutional Shareholders will be given the opportunity to take up all or part of their Entitlement. Entitlements under the Institutional Entitlement Offer are non-renounceable. The Joint Lead Managers will provide all Eligible Institutional Shareholders with details of the Institutional Entitlement Offer and how to apply under the Institutional Entitlement Offer at the commencement of the Institutional Entitlement Offer.</p> <p>(b) Retail Entitlement Offer: Eligible Retail Shareholders will be given the opportunity to take up all or part of their Entitlement. Retail Entitlements are also non-renounceable. Eligible Retail Shareholders who have applied for their full Entitlement can also apply for Additional New Shares in excess of their Entitlement, up to a maximum of 50% of their total Entitlement under the Top Up Facility. There is no guarantee that Eligible Retail Shareholders will be allocated any Additional New Shares under the Top Up Facility.</p> <p>The Entitlement Offer is fully underwritten by the Joint Lead Managers. The underwriting is subject to the terms and conditions set out in Underwriting Agreement, which is described in section 9.5.</p> | Sections 3.1, 3.2 and 3.3. |
| What is the Placement? | The Placement is an underwritten placement of up to approximately 410,182,573 New Shares and an Offer Price of \$0.07 per New Share to WSA and other sophisticated and professional investors pursuant to the Company's available capacity under Listing Rule 7.1 as expanded by the ASX Class Waiver. | Section 3.4 |

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| | <p>The Placement is a “supersized” placement, relying on the ASX Class Waiver announced by ASX on 31 March 2020, which increases the limit on the number of Shares the Company can issue without obtaining the prior approval of its Shareholders pursuant to Listing Rule 7.1 from 15% to 25% and permits the Company to include in its calculation for the purposes of Listing Rule 7.1 the number of Shares that may be issued under the underwritten component of the Entitlement Offer.</p> <p>A secondary purpose of this Prospectus is to meet the requirements of section 708A(11) of the Corporations Act, so that New Shares issued under the Placement and the Shortfall Offer are freely tradeable.</p> <p>The Placement is fully underwritten by the Joint Lead Managers. The underwriting is subject to the terms and conditions set out in the Underwriting Agreement, which is described in section 9.5.</p> | |
| How many new securities will be issued? | <p>The maximum number of New Shares that will be issued under the Entitlement Offer (including any Shortfall) is approximately 877,599,923.</p> <p>The maximum number of New Shares that will be issued under the Placement is approximately 410,182,573.</p> | Sections 6.8 and 6.9 |
| What is the amount that will be raised under the Entitlement Offer and the Placement and what is the purpose of the Entitlement Offer and the Placement? | <p>Unless the Underwriting Agreement is terminated before completion of the Offer, the Company will raise up to approximately \$90 million through the issue of New Shares under the Entitlement Offer and the Placement (before expenses of the Entitlement Offer and the Placement).</p> <p>The purpose of the Entitlement Offer and the Placement is to raise funds for:</p> <ul style="list-style-type: none"> (a) Senior loan repayment (including estimated interest); (b) Subordinated loan repayment (including estimated make whole and interest); (c) general working capital (which includes payments to creditors) and Offer costs; (d) suspension costs, care and maintenance costs (initial and ongoing); (e) development activities required for restart, including completion of critical ventilation infrastructure required for Savannah North development; and (f) exploration. | Section 3.5 |

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| Who is eligible to participate in the Entitlement Offer and the Placement? | <p>The Institutional Entitlement Offer is made to Eligible Institutional Shareholders only. An Eligible Institutional Shareholder under this Prospectus is any Shareholder as at the Record Date who is an Institutional Investor and who the Joint Lead Managers in agreement with the Company determine may receive an offer on behalf of the Company under the Institutional Entitlement Offer.</p> <p>The Retail Entitlement Offer is made to Eligible Retail Shareholders only. Eligible Retail Shareholders are those persons who:</p> <ul style="list-style-type: none"> (a) are registered as a holder of Shares as at 5.00pm (WST) on the Record Date; and (b) have a registered address in Australia or New Zealand or are, in the opinion of the Company, otherwise eligible under all applicable securities laws to receive an offer of New Shares under the Entitlement Offer; (c) are not an Eligible Institutional Shareholder; and (d) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such Eligible Retail Shareholders hold Shares for the account or benefit of such other person in the United States). <p>If you are not an Eligible Retail Shareholder, you are not able to participate in the Retail Entitlement Offer.</p> <p>The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any Shareholder in other foreign jurisdictions (subject to compliance with applicable laws). The Retail Entitlement Offer is not available to any person in the United States or any person acting for the account or benefit of a person in the United States.</p> <p>The Company and WSA have entered into the WSA Subscription Agreement, pursuant to which WSA has agreed to subscribe for such number of New Shares under the Placement that will result in WSA holding of 19.9% of the Company's issued Share capital on completion of the Placement and Institutional Entitlement Offer. WSA has agreed to sub-underwrite a portion of the Retail Entitlement Offer to maintain up to a 19.9% shareholding in the Company following completion of the Offer. See section 7.2 for a summary of the WSA Subscription Agreement and section 6.12 for a description of the potential impact of the Offer on WSA's shareholding in the Company.</p> | Sections 3.4, 4.1 and 4.2 |

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| | The Joint Lead Managers in agreement with the Company have determined the other Institutional Investors to whom they will make an offer, on behalf of the Company, to participate in the Placement. | |
| What are the alternatives for Eligible Shareholders under the Entitlement Offer? | <p>The Entitlement Offer is non-renounceable so you cannot trade your Entitlements. As an Eligible Shareholder, you may:</p> <ul style="list-style-type: none"> (a) take up all of your Entitlements and, if you are an Eligible Retail Shareholder, apply for Additional New Shares above your Entitlement (capped at 50% of your total Entitlement) under the Top Up Facility; (b) take up part of your Entitlements, and allow the balance of your Entitlements to lapse; or (c) allow all of your Entitlements to lapse. | Section 5.1 |
| How do I accept all or part of the Entitlement Offer? | <p>If you are an Eligible Retail Shareholder and you wish to take up all or part of your Entitlement, you must either:</p> <ul style="list-style-type: none"> (a) complete and return the personalised Entitlement and Acceptance Form to the Share Registry together with a cheque or bank draft for the full Application Monies so that it is received by the Share Registry by no later than 5.00pm (WST) on the Closing Date; or (b) pay the full Application Monies via BPAY® so that they are received by no later than 5.00pm (WST) on the Closing Date. <p>Please note that there may be delays in receiving or returning Entitlement and Acceptance Forms by mail due to the impacts of COVID-19. BPAY is the fastest and easiest way to apply and is recommended by the Share Registry in light of delays to postal services caused by the COVID-19 pandemic. Please ensure you allow for potential delays if you plan to return your Entitlement and Acceptance Form by mail.</p> | Section 5 |
| Can I withdraw my Application? | Cooling off rights do not apply to an investment in New Shares under the Entitlement Offer. You cannot withdraw your Application or payment once it has been accepted unless permitted to do so in accordance with the Corporations Act. | Section 5.6 |
| Can Eligible Retail Shareholders apply for New Shares in excess | Yes. Under the Top Up Facility, Eligible Retail Shareholders (other than Directors and related parties) who have applied for their full Entitlement may also apply for Additional New Shares, capped at a maximum of 50% of their Entitlement. However, there may be few or no | Sections 3.11 and 5.5 |

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| of their Entitlement? | <p>Additional New Shares available for issue depending upon the level of take up of Entitlements by Eligible Retail Shareholders. Applications for Additional New Shares may be scaled back at the discretion of the Directors.</p> <p>The Board will exercise its discretion in the interests of Shareholders, but will scale back applications, inter alia, to the extent required by applicable laws and policy, and to allow WSA to maintain up to a 19.9% shareholding in the Company on issue of the Shortfall in respect of the Retail Entitlement Offer.</p> <p>As such, there is no guarantee that you will receive any or all of the Additional New Shares you apply for. Refer to section 3.11 for further information regarding the Company's allocation policy.</p> <p>Further, the Company will not allocate or issue New Shares under the Top Up Facility where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant regulation or law. Eligible Retail Shareholders wishing to apply for Additional New Shares under the Top Up Facility must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the Listing Rules or any other relevant regulation or law having regard to their own circumstances.</p> | |
| Are the Entitlement Offer and Placement underwritten? | <p>The Entitlement Offer and the Placement is fully underwritten by the Joint Lead Managers. The underwriting is subject to the terms and conditions of the Underwriting Agreement, which are summarised in section 9.5.</p> <p>Neither Joint Lead Manager is a related party of the Company.</p> <p>Under the WSA Subscription Agreement, WSA has agreed to partially sub-underwrite the Retail Entitlement Offer to maintain up to a 19.9% shareholding in the Company following completion of the Offer. WSA has stated that it does not intend to sell any Placement Shares before the New Shares are issued in respect of the Retail Entitlement Offer. See section 7.2 for a summary of the WSA Subscription Agreement and section 6.12 for a description of the potential impact of the Offer on WSA's shareholding in the Company.</p> | Sections 3.9, 3.10, and 9.5 |
| How will Shortfall be allocated? | <p>Any Shortfall under the Offer will be allocated by agreement between the Joint Lead Managers and the Directors and in accordance with the allocation policy described in section 3.11, though the Directors retain an overarching discretion as to how the Shortfall is ultimately allocated.</p> <p>Eligible Retail Shareholders who applied for Additional New Shares under the Top Up Facility will receive their</p> | Sections 3.9, 3.10, 3.11 and 9.5 |

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| | <p>Additional New Shares applied for in priority to and before any allocation of the Shortfall is made to the Joint Lead Managers (acting as underwriters) or sub-underwriters, subject at all times to the Directors' discretion to scale back applications for Additional New Shares under the Top Up Facility. The Board will exercise its discretion in the interests of Shareholders, but will scale back applications, inter alia, to the extent required by applicable laws and policy, and to allow WSA to maintain up to a 19.9% shareholding in the Company on issue of the Shortfall in respect of the Retail Entitlement Offer.</p> <p>It is the intention that the Shortfall allocation policy will result in any remaining Shortfall being allocated in the following order of priority:</p> <ul style="list-style-type: none"> (a) in the Retail Entitlement Offer, Additional New Shares under the Top Up Facility, subject to the Directors' discretion to scale back applications; (b) in the Retail Entitlement Offer, to WSA in order to ensure its shareholding in the Company is 19.9% following completion of the Offer; (c) to the non-creditor sub-underwriters (noting that the Joint Lead Managers have been instructed to seek sub-underwriting as widely as possible, looking to allow existing holders to maintain their positions, and trying to keep any new party from obtaining a substantial holding (subject to the above) or increasing its interest above that level through the Offer, otherwise pro rata); followed by (d) the creditor sub-underwriter (see section 7.2 in relation to the creditor who has agreed to sub-underwrite the Offer up to \$500,000, subject to their sub-underwriting commitment being called on last). <p>The Placement and the Institutional Entitlement Offer will involve a bookbuild process to place the Shortfall of New Shares under the Placement and any Entitlements not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer. Any Shortfall under the Placement and the Institutional Entitlement Offer will be allocated in accordance with the Shortfall allocation policy described above and is expected to be issued on Monday, 1 June 2020.</p> <p>Any Shortfall that relates to the Retail Entitlement Offer will be allocated in accordance with the Shortfall allocation policy described above and is expected to be issued on Friday, 19 June 2020. Any further Shortfall which is not issued on Friday, 19 June 2020 (if any) will be issued</p> | |

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| | <p>within three months of the Closing Date. Any issue of further Shortfall will be at the Offer Price, which is the same price as the Entitlement Offer.</p> <p>The Company will not allocate or issue New Shares under the Shortfall Offer where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant regulation or law.</p> | |
| <p>What is the effect on control of the Company?</p> | <p>New Shares issued under the Offer will comprise approximately 62.79% of the Shares on issue after completion of the Offer.</p> <p>It is anticipated that WSA will hold up to 19.9% of the Company's issued Share capital following completion of the Placement and Entitlement Offer. It is anticipated that Zeta's voting power will fall as a result of the Placement and Entitlement Offer.</p> <p>However, for prudence, pursuant to section 615 of the Corporations Act, the Company has appointed Canaccord as its nominee to sell the New Shares that might have otherwise been issued to Ineligible Foreign Shareholders. The nominee will have the absolute and sole discretion to determine the timing and price at which the New Shares may be sold and the manner of any such sale. The Company has obtained ASIC approval for the appointment of the nominee, pursuant to section 615 of the Corporations Act. The appointment of Canaccord as nominee will allow Zeta to increase its shareholding in the Company (which will fall following the Placement and Institutional Entitlement Offer) by virtue of taking up New Shares pursuant to the Retail Entitlement Offer pursuant to the exception to the takeover prohibition in section 611 item 10 of the Corporations Act rather than using its "creep" capacity. See section 6.11 for more information regarding Canaccord's appointment as nominee pursuant to section 615 of the Corporations Act.</p> <p>Zeta has indicated that it will not participate in the Placement, that it may subscribe for up to \$10 million of New Shares under the Retail Entitlement Offer and in any event will subscribe for not less than \$4.5 million of New Shares under the Retail Entitlement Offer, with the subscription price of \$4.5 million to be set off against the amount owing to Zeta under the Zeta Loan Facility and any subscription price exceeding that amount to be settled in cash. As such, it is expected that Zeta's shareholding will be diluted as a result of the Offer (see section 6.12).</p> <p>The allocation policy in section 3.11 is intended to minimise the potential control implications of the Offer.</p> | <p>Sections 6.11 and 6.12</p> |

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| What are the key risks of further investment in the Company? | <p>Potential investors should be aware that subscribing for New Shares in the Company involves a number of risks. Some of the more significant risks which affect an investment in the Company are summarised below. Please refer to section 8 for further details of both the risks set out below and a number of other risks that are relevant to a decision to apply for New Shares.</p> <p>Risks specific to the Offer</p> <p><i>Underwriting and sub-underwriting risk</i></p> <p>The Company has entered into the Underwriting Agreement with the Joint Lead Managers who have agreed to fully underwrite the Offer, subject to certain terms and conditions. If certain conditions are not satisfied or certain events occur, the Joint Lead Managers may terminate the Underwriting Agreement. Given the structure of the Offer, in which the Placement and Institutional Entitlement Offer settle before the Retail Entitlement Offer, there is a risk that the Underwriting Agreement may terminate before or after the Placement and the Institutional Entitlement Offer have settled.</p> <p>If the Underwriting Agreement is terminated and the Offer does not proceed or does not raise the funds required for the Company to meet its stated objectives, the Company would be required to urgently find alternative financing. In those circumstances, there is no guarantee that alternative funding could be sourced in the time required or at all, in which case the Company would be in a critical condition from a solvency perspective. As such, it is clear that termination of the Underwriting Agreement could materially adversely affect the Company's business, cash flow and financial position.</p> <p>If the Underwriting Agreement is terminated and the Offer does not proceed, the Company would also need to renegotiate the terms of its secured and unsecured debt, as well as the amounts owing to its other creditors. There is no guarantee the Company would be able to successfully renegotiate the terms of those arrangements in those circumstances. There is also the risk that Macquarie and/or Zeta may seek to assign their debt to a third party or seek to take enforcement action against the Company, which is heightened in these circumstances.</p> <p>WSA's obligations to subscribe for Placement Shares and to partially sub-underwrite the Retail Entitlement Offer Shortfall are subject to a number of conditions precedent, including that the Underwriting Agreement has not been terminated. There is a risk that the WSA Subscription Agreement will terminate if the conditions precedent are not satisfied, which include where the Underwriting Agreement is terminated.</p> | Section 8 |

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| | <p><i>Potential for dilution and control risk</i></p> <p>Upon completion of the Offer, the number of Shares in the Company will increase from 763,130,367 to approximately 2,050,912,863. This equates to approximately 62.79% of all the issued Shares in the Company immediately following completion of the Offer. This means that to the extent Shareholders do not participate in the Offer their holdings are likely to be diluted by approximately 62.79% following completion of the Offer.</p> <p>As detailed in section 6.12 of this Prospectus, the Offer may have an effect on the control of the Company. There is also a risk that ASIC or another party could bring an action to the Australian Takeovers Panel (Panel) claiming that the Offer gives rise to unacceptable circumstances. If an action is brought in the Panel it may delay some or all of the Offer (see above) and if it is successful, there are a broad range of orders that the Panel can make, including requiring the Company to amend the terms of the Offer or withdraw the Offer.</p> <p>It should also be noted that the last trading price of Shares on ASX prior to the Prospectus being lodged is not a reliable indicator as to the potential trading price of Shares following completion of the Offer.</p> <p><i>ASX quotation</i></p> <p>If ASX does not grant Official Quotation of the New Shares offered under the Offer within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not allot the New Shares under the Offer and will repay all Application Monies for the New Shares within the time period prescribed under the Corporations Act, without interest.</p> <p>A decision by ASX to grant Official Quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the New Shares now offered for subscription.</p> <p>There is no guarantee that ASX will allow trading of Shares before the Retail Entitlement Offer closes.</p> <p><i>Entitlement Offer delays</i></p> <p>Most of the Forbearance Agreements (other than the Barmingo Forbearance) will terminate if the Offer is not completed by 30 August 2020. There are two Forbearance Agreements (other than the Barmingo Forbearance) that terminate if the Offer is not completed by 31 July 2020 (see section 7.2).¹ As such, if the Entitlement Offer is extended for any reason and will not</p> | |

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| | <p>be completed by 30 August 2020 (or 31 July 2020 in respect of two Forbearance Agreements), the Company will need to renegotiate the terms of the Forbearance Agreements. In those circumstances, there is no guarantee the Company will be able to successfully renegotiate the terms of the Forbearance Agreements, in which case the amounts owing to the Company's creditors who had signed Forbearance Agreements will become immediately due and payable and any debt reductions that had been agreed as part of the Forbearance Agreements will cease to apply.</p> <p>The Barmenco Forbearance will terminate if the Offer is not completed by 31 July 2020. As such, if the Entitlement Offer is extended for any reason and will not be completed by 31 July 2020, the Company will need to renegotiate the terms of the Barmenco Forbearance. In those circumstances, there is no guarantee the Company will be able to successfully renegotiate the terms of the Barmenco Forbearance, in which case the debt reduction that had been agreed with Barmenco under the Barmenco Forbearance will cease to apply and Barmenco may make a claim against the Company for the amounts owing to it, the quantum of which cannot be determined at present.</p> <p><i>Control transaction proposals</i></p> <p>In November 2019 IGO Limited launched a conditional takeover bid in respect of the Company. Panoramic has been the subject of several non-binding, indicative proposals over the past 12 months. While IGO Limited's bid was subsequently withdrawn, there remains the possibility that IGO Limited or another entity could launch a control transaction for the Company in the future, including during the Offer Period. If a control transaction proposal was received during the Offer Period, the Company may be required to extend the Entitlement Offer, which could have adverse consequences in respect of the Forbearance Agreements (see Entitlement Offer delays risk above) or on the successful completion of the Offer.</p> <p><i>Risks specific to the Company</i></p> <p><i>Cash position</i></p> <p>Panoramic's unaudited cash position as at 31 March 2020 was \$7.6 million, with \$6.5 million in additional available liquidity from shipment 168 which departed 3 April 2020 and a further \$8.0 million of liquidity from the Zeta facility (see announcement dated 29 April 2020). However, as a result of the impact of COVID-19 (see announcement dated 15 April 2020), the Company is required to raise further funds through the Offer to maintain an appropriate working capital position. As the Offer is underwritten, provided the Underwriting Agreement is not terminated, the Offer will provide Panoramic with additional funds of</p> | |

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| | <p>up to approximately \$90 million (before costs). Given Panoramic is an exploration and mineral project development company, it may need to raise substantial additional funds in the future to continue progressing and developing the Savannah Project and other projects. There is also the possibility that significant costs will be involved in the restart of the Savannah Nickel Mine. There is a risk that Panoramic will be unable to raise such funds when needed or on reasonable terms. Unless Panoramic is able to continue to raise funds as required, that failure could delay or suspend the Company's business activities and could have a material adverse effect on the solvency of the Company.</p> <p>COVID-19 risk</p> <p>The combination of the significant operational uncertainty, including the constraints beyond Panoramic's control, imposed as a result of the COVID-19 pandemic and the consequential disruption and cost, plus managing the ramp up of Savannah North (including managing issues which have previously been outlined by the Company), resulted in the Panoramic Board taking the decision to suspend operations at the Savannah Nickel Mine as announced on 15 April 2020.</p> <p>The Company has implemented measures across its business with the intent of minimising the risk of infection for individuals and the impact of COVID-19 on the Company's business.</p> <p>However, further supply chain disruptions resulting from the transmission of COVID-19 in the community and measures implemented by governments around the world to limit the transmission of the virus may further adversely impact the Company's operations, financial position, prospects and ability to raise capital.</p> <p>Nickel, copper, cobalt prices</p> <p>A key factor for the Company is the price of nickel, copper and cobalt. Nickel, copper and cobalt prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange rate fluctuations, interest rates, global or regional consumption patterns and speculative activities. There can be no assurance that nickel, copper and cobalt prices will always be at levels such that the Company's deposits can be mined profitably in the future.</p> <p>Suspension of operations</p> <p>The Company has made the decision to temporarily suspend operations at its Savannah Nickel Mine. There is a risk that care and maintenance expenses could be more than estimated by the Company, or the period of suspension may be prolonged, which may have an</p> | |

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| | <p>adverse effect on the financial position of the Company. Further, the majority of the Company's contracts relating to the Savannah Project have been suspended until the restart of the Savannah Nickel Mine. In the event the Company seeks to recommission its mining and processing operations, there is a risk that the associated recommissioning and ramp up may take longer than planned and that costs may be higher than anticipated. There is also a risk that the Company may have issues with its contractors if they are requested to undertake work involved in the restart of the Savannah Nickel Mine on the same terms as their existing contracts, most of which have been suspended under the terms of the Forbearance Agreements while operations are suspended.</p> <p>Further, if the suspension continues for an extended period, there is a risk that the Company will be required to raise more capital to fund care and maintenance activities. There is also a risk that the suspension of the Company's operations may adversely impact the carrying value of consumables inventories held at the Savannah Nickel Mine.</p> <p><i>Life of mine plan</i></p> <p>The Company is currently undertaking a review and revision of its life of mine plan. The revised life of mine plan is expected to be released in July 2020. There is a risk that the revised life of mine plan could be different to the previous life of mine plan, which may affect the Company's future plans and ultimately its financial performance and value. The outcome of the review of the life of mine plan and changes in market conditions could impact the recoverable amount of the Savannah Nickel Mine. The Group's assets will be tested for impairment at the next financial reporting date of the Group, being 30 June 2020. To the extent that the carrying value of the Group's non current assets exceeds their estimated recoverable amount at the next reporting date, the assets will be impaired and an expense recognised in profit or loss.</p> <p><i>Mineral Resource and Ore Reserve estimates</i></p> <p>Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available. As discussed above, the Company is currently reviewing and revising its life of mine plan, which it expects to conclude in July 2020. The Company is also undertaking a review of its Ore Reserves, with the outcome of that review expected to be finalised in July 2020. There is a risk that the new estimates of the Company's Ore Reserves may be</p> | |

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| | <p>different to the Company's previously announced Ore Reserves.</p> <p>Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to Mineral Resource and Ore Reserve estimates could affect the Company's future plans and ultimately its financial performance and value.</p> <p>Going concern</p> <p>The Group had a historical net current liability position of \$28,869,000 as at 31 December 2019 and cash outflows from operating and investing activities of \$15,639,000 for the half-year ended 31 December 2019. Further, as a result of the COVID-19 pandemic, on 15 April 2020, the Group announced suspension of operations at the Savannah Project (refer to section 6.7(c)(i) below for more details). The Directors believe that the current cash resources, will not be sufficient to execute the Group's principal activities planned and working capital requirements without raising additional capital. The Directors determined that these factors create a material uncertainty that could cast significant doubt on Panoramic's ability to continue as a going concern, as described in Section 6.6.</p> <p>Notwithstanding this, the Directors believe that upon the successful completion of the Offer, as well as the other transactions discussed in section 6.7 and their ability to optimise cost measures, the Group will have sufficient funds to continue as a going concern.</p> <p>In the event that the Group is unable to obtain sufficient funding for ongoing operating and capital requirements, there is material uncertainty whether it will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in this Prospectus.</p> <p>Development activities and future operational issues</p> <p>As noted above, the significant operational uncertainty created by the COVID-19 pandemic contributed to the Panoramic Board taking the decision to suspend operations at the Savannah Nickel Mine as announced on 15 April 2020.</p> <p>Essential services, safety and environmental monitoring continue while the underground operations and processing of ore have ceased. In relation to the suspension of operations generally, Panoramic is working with its employees and contractors to ensure it occurs consistent with relevant contractual entitlements and in a way that is the least disruptive in the circumstances.</p> | |

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| | <p>Panoramic intends to undertake a number of development activities while operations are suspended, which are intended to de-risk and improve the economics of the Savannah Nickel Mine in a restart scenario. The proposed development activities include:</p> <ul style="list-style-type: none"> - completion of the new ventilation raise bore and associated works (Fresh Air Raise 3), which is part of the critical ventilation infrastructure required for the Savannah North mine development; - development of the Savannah North decline and incline to allow for multiple mining locations; and - critical paste reticulation works required to allow for the rehabilitation of mined areas in Savannah North in due course. <p>There is a risk that these development activities may take longer, or be more costly than expected, or not proceed at all. There is also a risk that the development activities might not have the desired outcome. These risks could affect the cost and viability of a restart of the Savannah Nickel Mine and ultimately the Company's financial performance and value.</p> <p>Following completion of the review of the life of mine plan, once the COVID-19 related limitations on the Company's business are alleviated and the global economic outlook improves, the Company intends to resume mining and processing ore at its Savannah Nickel Mine operations. The Savannah Nickel Mine operations have experienced a number of operational issues and Panoramic intends to continue to implement improvement strategies including as a consequence of recently completed operations review. These strategies include continuing the Company's recently adopted contract mining model.</p> <p>Even if these strategies are successful, the nature of mining is such that there remains a risk that, if operations are restarted at the Savannah Nickel Mine, mine production may continue to be below budget and the ramp up of production from Savannah North may take longer than planned, that production may be less than planned, that costs may be higher than anticipated, that the grade recovered from mining may be lower than expected or that revenue may be lower than expected.</p> <p><i>Savannah Facility Agreement with Macquarie and Put and Call Option Deed</i></p> <p>Macquarie has advanced \$30 million to the Company under the Savannah Facility Agreement (see section 7.2 for more information). Macquarie, the Company, Savannah and Pan Transport have also entered into the Macquarie Standstill, under which Macquarie agrees that it will not take any acceleration or enforcement action against the Company in respect of the SFA unless certain</p> | |

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| | <p>prescribed circumstances exist (see section 7.2 for a description of these circumstances).</p> <p>As announced by Zeta and the Company on 18 May 2020, Macquarie has entered into a Put and Call Option Deed with Zeta in respect of the SFA. The key terms of the Put and Call Option Deed are set out in Zeta's announcement of 18 May 2020.</p> <p>The put and call options granted by Zeta and Macquarie under the Put and Call Option Deed are not exercisable prior to 3 July 2020 unless either agreed to by Panoramic, or if the capital raising contemplated by the Offer does not raise a sufficient amount or Zeta or Macquarie determine that it will not occur.</p> <p>Further, under the Put and Call Option Deed, Macquarie agrees that it will not take acceleration or enforcement action against the Company without Zeta's consent. Macquarie also agrees that it will take acceleration or enforcement action against the Company if directed to do so by Zeta.</p> <p>Separately, Zeta and the Company have entered into the Zeta Waiver, under which Zeta has given the Company an undertaking that during the term of the Put and Call Option Deed it will not:</p> <ul style="list-style-type: none"> - consent to Macquarie assigning its debt under the SFA; or - give Macquarie a direction to take acceleration or enforcement action against the Company in respect of the SFA. <p>This undertaking will cease to apply if an insolvency event occurs in respect of the Company, Savannah or Pan Transport or if, at any time after 25 May 2020, the Offer is not, or ceases to be, underwritten for an amount of at least \$70 million.</p> <p>There is a risk that, if one or more of the Macquarie Standstill, the Zeta Waiver or the Put and Call Option Deed are terminated, Macquarie may assign the debt under the SFA to Zeta or a third party. There is a further risk that if one or more of those waivers or standstills is terminated, the holder of the debt (which is the subject of the SFA) may seek to take acceleration or enforcement action against the Company in respect of the SFA.</p> <p>Zeta loan</p> <p>Zeta and Panoramic are parties to the Zeta Loan Facility, pursuant to which, amongst other things, Zeta agreed to loan Panoramic \$8 million. Zeta and the Company have</p> | |

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| | <p>entered into the Zeta Waiver (see above), pursuant to which Zeta has given several waivers in respect of certain covenants under the Loan Agreement that relate to the Company entering into the Forbearance Agreements and the Company's Shares being suspended for a period of time. The waivers will cease to apply if the amounts compromised with the Company's creditors are not repaid by their due date, or a receiver, receiver and manager, administrator or liquidator is appointed to Panoramic or Savannah or a related body corporate, or any of Panoramic or Savannah becomes unable to pay their debts as and when they fall due for payment. If the waivers cease to apply, there is a risk that Zeta may seek to take enforcement action against the Company.</p> <p>Under the Zeta Loan Facility, the Company also agrees to issue the Zeta Options described in section 7.2 of this Prospectus to Zeta, subject to the Company obtaining Shareholder approval and Zeta or its nominee (as applicable) obtaining FIRB approval (which has been obtained).</p> <p>The Company is seeking Shareholder approval for the issue of the Zeta Options at a general meeting to be held on 29 June 2020 (see notice of meeting announced 21 May 2020). There is a risk that, Shareholders will not approve the issue of the Zeta Options, in which case the Zeta Options will not be issued and the Company will be required to pay the "make-whole" payments described in section 7.2 of this Prospectus to Zeta depending on when the Zeta Loan Facility is repaid in full.</p> <p>Creditors</p> <p>The Company has amounts owing to creditors in connection with many of its operational contracts. As the Company no longer has any significant operating income with which to pay those creditors, it has been negotiating the repayment of certain amounts owing. The Company and/or its relevant subsidiaries have now entered into or agreed Forbearance Agreements with the material creditors in relation to the repayment of amounts owing to them and the ongoing status of their underlying contractual arrangements. However, there remain a number of contracts with minor creditors in respect of which the Company is in breach. The Company does not consider these contracts or the amounts owing under them to be material, however there remains a risk that these creditors may take action against the Company to attempt to recoup the amounts owed to them.</p> <p>The Forbearance Agreements (other than the Barmingo Forbearance) will terminate if the Offer is not completed by 30 August 2020 (see section 7.2). As such, if the Entitlement Offer is extended for any reason and will not be completed by 30 August 2020, the Company will need to renegotiate the terms of the Forbearance Agreements. In those circumstances, there is no guarantee the</p> | |

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| | <p>Company will be able to successfully renegotiate the terms of the Forbearance Agreements, in which case the amounts owing to the Company's creditors who had signed Forbearance Agreements will become immediately due and payable and any debt reductions that had been agreed as part of the Forbearance Agreements will cease to apply. In these circumstances, there is also a risk that some or all of the Company's creditors may make claims for amounts greater than the Company has budgeted for.</p> <p><i>Barmingo</i></p> <p>Under the Barmingo Forbearance, Barmingo agrees that during the Standstill Period it will not make any demand for the amounts owing to it under the Barmingo Contract or take any enforcement action in relation to the Barmingo Outstanding Amount.</p> <p>The parties also agree that by no later than 31 July 2020, Savannah must pay Barmingo \$10 million in full and final settlement of the Barmingo Outstanding Amount.</p> <p>Panoramic may elect at its discretion to issue \$500,000 worth of Shares to Barmingo to satisfy part of Barmingo Settlement Sum if the capital raising which is now the subject of this Offer raises less than \$90 million.</p> <p>The Barmingo Forbearance terminates on the earlier to occur of the following:</p> <ul style="list-style-type: none"> - Savannah is in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration or wound up or has had a receiver or a receiver and manager appointed to any part of its property; - Panoramic or a related body corporate of Panoramic is in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration or wound up or has had a receiver or a receiver and manager appointed to any part of its property; - any financier (including Macquarie) or other party (including Zeta) takes any acceleration or enforcement action in respect of Savannah, Panoramic or a related body corporate of Panoramic; - any component of the capital raising the subject of this Offer following its launch ceases or is not proceeded with in a material respect; - any direct or indirect disposal of the property, business or undertaking of Panoramic or Savannah or part thereof to any other party likely to have a material effect on the performance of this document; - the capital raising the subject of this Offer does not launch before 5.00pm WST on 31 May 2020 or complete by 5.00pm WST on 31 July 2020; or - receipt of the Barmingo Settlement Sum by Barmingo. | |

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| | <p>If Panoramic fails to pay the Barmenco Settlement Sum, the Barmenco Outstanding Amount will become immediately due and payable, without any set-off or deduction.</p> <p>There is a risk that, if the capital raising the subject of this Offer is not completed by 31 July 2020 (or at all), or if Macquarie or Zeta take any acceleration or enforcement action in respect of Panoramic or Savannah, the Barmenco Forbearance will terminate and Panoramic will lose the benefit of being able to pay the reduced Barmenco Settlement Sum in satisfaction of the Barmenco Outstanding Amount and Barmenco may make a claim against the Company for the amounts owing to it, the quantum of which cannot be determined at present.</p> <p>Restart</p> <p>While the Company currently intends to restart the Savannah Nickel Mine in the future and is proposing to undertake development activities which are intended to de-risk the restart, the ultimate decision to restart mining operations will be based on the prevailing nickel price and other circumstances which are relevant at the time. There is a risk that the restart is delayed, involves greater costs than are budgeted for, or does not proceed at all.</p> <p>Mining</p> <p>If and when operations restart at the Savannah Nickel Mine, mining and development operations (and consequentially financial performance) can be hampered by force majeure circumstances, environmental considerations and unforeseen events. Any event that impacts on the production rates, is likely to reduce the quantity of ore mined and thereby reduce the amount of ore or concentrate available for sale. Events that could adversely impact on production rates include, but are not limited to:</p> <ul style="list-style-type: none"> - geotechnical and geological conditions; - personnel and equipment availability, utilisation rates and failure; - development rates at which relevant ore bodies are exposed; and - scheduling constraints resulting from the interaction between various mining functions such as, drilling, blasting, bogging, loading & hauling and backfilling. <p>Processing</p> <p>If and when operations restart at the Savannah Nickel Mine, the Company's future profitability will in part be governed by its ability to recover key minerals from ore and then concentrate those minerals into a saleable product. Processing risk at the Savannah Nickel Mine includes mechanical failure in critical parts of the mill and</p> | |

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| | <p>an inability to achieve the targeted recovery of minerals from ore. After restart, each of these events (were they to occur) could result in a reduced volume and/or off-specification concentrate being available for sale.</p> <p>Infrastructure, roads and transport</p> <p>The Company requires access to road and port infrastructure. Transport is required to move consumables and equipment to its operations and ore or concentrate from its operations to customers. If and when operations restart at the Savannah Nickel Mine, a prolonged event that restricts access to road and port infrastructure will delay the sale of product to the Company's customers with a consequential financial impact.</p> <p>Capital costs</p> <p>If and when operations restart at the Savannah Nickel Mine, the Company's capital requirements may exceed those forecast in the Company's budget and life of mine plans from time to time and in these circumstances there may be an adverse impact on the Company's operating or financial performance.</p> <p>Operating costs</p> <p>If and when operations restart at the Savannah Nickel Mine, increases in operating costs may impact the future profitability of the Company's operations. When operating a mine, the Company is exposed to movements in operating costs, including but not limited to:</p> <ul style="list-style-type: none"> - salaries; - fuel (for mobile equipment and power generation); - reagents and consumables; and - external contractors and suppliers. <p>Tailings storage</p> <p>Tailings are the waste generated by the processing of ore to concentrate. The Company has environmental obligations associated with its existing tailing storage facility at the Savannah Project. Given the expected life of mine at the Savannah Project, approval for additional tailings storage capacity will be required in the future after restart.</p> <p>Contractors</p> <p>The Company uses a range of external contractors and service providers to support its ongoing care and maintenance activities and future operations. If and when operations restart at the Savannah Nickel Mine, there is a risk that the Company may not be able to engage contractors or other service providers in a timely manner or on acceptable terms, and that financial failure or default</p> | |

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| | <p>by any of the contractors or service providers used by the Company in any of its activities may impact on operating and/or financial performance. There is also a risk that the contractors whose contracts are currently suspended by the operation of the Forbearance Agreements (see section 7.2) are not able to undertake the work they are obliged to do under their contracts if and when called to do so in connection with a restart of mining operations.</p> <p>Services and utilities</p> <p>The Company's operations require a consistent and reliable range of services including the supply of electricity and diesel fuel. At the Savannah Project, diesel fuel is used to generate electricity which is essential for ongoing care and maintenance activities.</p> <p>Customers</p> <p>The Company has an offtake agreement for Savannah Project concentrate until February 2023. There is a risk that after that date, the offtake contract may not be able to be renegotiated on favourable terms. If the customer reneged on its contractual obligations or otherwise failed to pay for concentrate delivered, or declined to receive further product, this would have a consequential effect on the Company's financial position. If necessary, in the short to medium term after the Savannah Nickel Mine has been restarted, the concentrate could potentially be sold into the spot market on uncertain terms and pricing. In the long term, a new customer for the concentrate would need to be secured with no guarantee that similar pricing or payment terms could be obtained from a new customer.</p> <p>Thunder Bay North PGM Project</p> <p>As announced on 6 January 2020, the Company's wholly owned subsidiary Magma entered into the Thunder SPA with Clean Air under which Magma agrees to sell all of shares in PAN PGMs. PAN PGMs is the 100% owner of the TBN. The purchase price is C\$9.0 million in cash payable as follows:</p> <ul style="list-style-type: none"> - a deposit of C\$250,000 on signing the SPA; - C\$4,250,000 on completion of the sale (C\$2,250,000 will be held in trust by Panoramic's Canadian lawyers pending receipt of a Clearance Certificate as required under the Income Tax Act (Canada)); - C\$1,500,000 on the first anniversary of completion of the sale; - C\$1,500,000 on the second anniversary of completion of the sale; and - C\$1,500,000 on the third anniversary of completion of the sale. | |

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| | <p>As announced on 15 May 2020, completion of the transaction has occurred and Panoramic has received the first C\$2,000,000 of the consideration that was payable at completion, with C\$2,250,000 currently held in trust by Panoramic's Canadian lawyers pending receipt of a tax clearance certificate. There is a risk that there may be delays in receiving the clearance certificate or other issues may arise that may delay Panoramic receiving the C\$2,250,000 which is currently held on trust. As is always the case with deferred consideration, there is also a risk that the Company will not receive the deferred consideration payments when due, or at all.</p> <p>Horizon sale</p> <p>As announced on 30 March 2020 the Company has agreed to sell its remaining shareholding in Horizon Gold Limited (ASX:HRN) to sophisticated and professional investors, including Zeta. Completion of the sale to Zeta is subject to Panoramic Shareholders' approval, which will be sought at a general meeting to be held on 29 June 2020 (see notice of meeting announced on 21 May 2020).</p> <p>The Company understands that Zeta will set off approximately \$4.5 million of the subscription monies payable in respect of the New Shares it takes up under its Entitlement in the Retail Entitlement Offer against the amount outstanding under the Zeta Loan Facility. The Company intends to repay the remainder of the Zeta Loan Facility with part of the proceeds of the Offer, in which case the Zeta Loan Facility will be repaid in full and there will be no further amounts outstanding under the Zeta Loan Facility (other than any "make-whole" payment which may be required if Shareholders do not approve the issue of the Zeta Options).</p> <p>If the Zeta Loan Facility is not repaid in full following completion of the Offer and Shareholder approval is obtained for the Horizon Share Sale, the price payable by Zeta in respect of the Horizon shares to be transferred under the Horizon Share Sale (approximately \$3.46 million) will be set off against the amount outstanding under the Zeta Loan Facility at the time. If Shareholder approval is not obtained for the Horizon Share Sale, the relevant shares in Horizon will not be transferred from the Company to Zeta and the amount outstanding under the Zeta Loan Facility will not be reduced by the price payable under the Horizon Share Sale, which may require the Company to repay Zeta more than it has budgeted for. Further, if the Company retains its minority shareholding in Horizon, it will continue to be subject to the listed investment risks described below in respect of that shareholding.</p> | |

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| | <p>As the Zeta Loan Facility is expected to be repaid following completion of the Offer, Zeta will be required to pay the Company approximately \$3.46 million on completion of the Horizon Share Sale, subject to Shareholders approving the transaction. There is a risk that Shareholders will not approve the Horizon Share Sale and the transaction it will not proceed. If this occurs, the Company will not receive the consideration of approximately \$3.46 million, in which case the Company may not have sufficient funds to meet all of the planned uses set out in section 3.5 of this Prospectus. If the Horizon Share Sale does not proceed, the Company could sell its Horizon shares to one or more different purchasers (subject to applicable laws). In those circumstances, there is a risk that the Company would not be able to a price for the Horizon shares equivalent to the price payable by Zeta under the Horizon Share Sale.</p> <p>Listed investment risks</p> <p>Panoramic holds shares in a number of listed companies, including a shareholding in Horizon which it is currently in the process of disposing of. There are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities. The past performance of these listed companies is not necessarily an indication as to future performance of these companies as the trading price of shares can go up or down. There is also a risk that Panoramic's interest in these companies may fall as a result of certain corporate events including whether or not it participates in the capital raisings.</p> <p>Tenements</p> <p>Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the Mining Act 1978 (WA) and the Company has an obligation to meet conditions that apply to the its tenements, including the payment of rent and prescribed annual expenditure commitments. The tenements held by the Company are subject to annual review and periodic renewal.</p> <p>There are no guarantees that the tenements that are subject to renewal will be renewed or that any applications for exemption from minimum expenditure conditions will be granted, each of which would adversely affect the standing of a tenement. A number of the tenements may be subject to additional conditions, penalties, objections or forfeiture applications in the future. Alternatively, applications, transfers, conversions</p> | |

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| | <p>or renewals may be refused or may not be approved with favourable terms. Any of these events could have a materially adverse effect on the Company's prospects and the value of its assets.</p> <p>Certain of the Company's non-core tenements are currently the subject of forfeiture proceedings in the Wardens Court. There is a risk that the forfeiture proceedings could result in the relevant tenements being forfeited, the Warden imposing a fine for failure to comply with the tenement conditions, or the Warden deciding to take no action. The Company considers that these tenements are non-core and does not consider that the risk of forfeiture or the imposition of a penalty would have a material adverse effect on the Company.</p> <p><i>Tax review</i></p> <p>The Company is currently subject to a payroll tax review by the Office of State Revenue. The Company does not expect the review to result in any material adverse findings, however there is a risk the Company will be required to pay further tax. It is also possible that the Company could receive a tax refund as a result of the review.</p> | |

3 Details of the Entitlement Offer and the Placement

3.1 Offer

The Entitlement Offer is a pro-rata accelerated non-renounceable entitlement issue of approximately 877,599,923 New Shares at an issue price of \$0.07 per New Share on the basis of 1.15 New Shares for every Share held by Eligible Shareholders at 5.00pm (WST) on the Record Date for the purpose of raising up to approximately \$61,431,995 before expenses.

The Entitlement Offer has two components, namely:

- (a) the Institutional Entitlement Offer, being an offer to Eligible Institutional Shareholders; and
- (b) the Retail Entitlement Offer, being an offer to Eligible Retail Shareholders.

As at the time this Prospectus was lodged with ASIC and ASX, the Company has 763,130,367 Shares on issue. Both the Institutional Entitlement Offer and the Retail Entitlement Offer are non-renounceable, meaning that Entitlements cannot be traded on ASX, nor can they be sold, transferred or otherwise disposed of.

The Company is also undertaking the Placement to raise up to an additional \$28,712,780 at the same Offer Price as the Entitlement Offer of \$0.07 per New Share. See section 3.4 for further details regarding the Placement.

The Placement and the Entitlement Offer are fully underwritten by the Joint Lead Managers. Further details regarding the Underwriting Agreement are set out in section 9.5.

All of the New Shares offered under this Prospectus will rank equally with the Shares on issue as at the date of this Prospectus. Please refer to section 9.8 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

3.2 Retail Entitlement Offer

Eligible Retail Shareholders are being offered to the opportunity to subscribe for all or part of their Entitlement, being 1.15 New Shares for each existing Share held at the Record Date, at the Offer Price per New Share, under the Retail Entitlement Offer. The Retail Entitlement Offer is fully underwritten by the Joint Lead Managers.

The Retail Entitlement Offer will also include a Top Up Facility, which entitles Eligible Retail Shareholders who have applied for their Entitlement in full to apply for Additional New Shares up to the cap of 50% of their Entitlement, subject to the Board's discretion to scale back applications for Additional New Shares. The Board will exercise its discretion in the interests of Shareholders, but will scale back applications, inter alia, to the extent required by applicable laws and policy, and to allow WSA to maintain up to a 19.9% shareholding in the Company on issue of the Shortfall in respect of the Retail Entitlement Offer.

Additional New Shares under the Top Up Facility will be issued to Eligible Retail Shareholders that have applied for Additional New Shares in priority to and before any allocation of the Shortfall is made to the Joint Lead Managers (acting as underwriters) and any sub-underwriters, subject to the Board's discretion to scale back applications for Additional New Shares.

The Company will not allocate or issue New Shares under the Top Up Facility where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant regulation or law. Eligible Retail Shareholders wishing to apply for Additional New Shares under the Top Up Facility must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the Listing Rules or any other relevant regulation or law having regard to their own circumstances and should seek professional advice where necessary.

If you are an Eligible Retail Shareholder that has received this Prospectus, the number of New Shares to which you are entitled (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. Some of these risks are outlined in section 8. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

You should consider the Retail Entitlement Offer in the light of your particular investment objectives and circumstances, and consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

3.3 Institutional Entitlement Offer

The Company will conduct the Institutional Entitlement Offer during the period set out in the "Important Dates" in section 1. The Joint Lead Managers will provide Eligible Institutional Shareholders with the details of their Entitlements and how to apply under the Institutional Entitlement Offer at the commencement of the Institutional Entitlement Offer.

The Institutional Entitlement Offer will involve a bookbuild process to place the Shortfall of any Entitlements not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer. Any Shortfall under the Institutional Entitlement Offer will be allocated in accordance with the Shortfall allocation policy described in section 3.11.

The New Shares offered under the Institutional Entitlement Offer, including the New Shares comprising the Shortfall of the Institutional Entitlement Offer, are expected to be issued on Monday, 1 June 2020. The Institutional Entitlement Offer is fully underwritten by the Joint Lead Managers.

3.4 Placement

The Company intends to issue approximately 410,182,573 New Shares at the same issue price as the Entitlement Offer (\$0.07 per New Share) (**Placement Shares**) to WSA and other sophisticated and professional investors to raise up to approximately \$28,712,780 (before expenses) under the Placement. A secondary purpose of this Prospectus is meet the requirements of section 708A(11) of the Corporations Act to facilitate the secondary trading of the Placement Shares.

The Placement will involve a bookbuild which will occur contemporaneously with the bookbuild for the Institutional Entitlement Offer. WSA will participate in the Placement pursuant to the WSA Subscription Agreement.

The Placement Shares will rank equally with the existing Shares on issue. The Placement Shares are expected to be issued on Monday, 1 June 2020. As this date is after the Record Date, participants in the Placement will not be able to participate in the Entitlement Offer in respect of Placement Shares they receive under the Placement.

All proceeds from the Placement will be used in accordance with section 3.5.

3.5 Purpose of the Offer and use of funds

The purpose of the Offer is to raise up to approximately \$90 million (before expenses). The funds raised from the Offer are expected to be used in accordance with the following table.

| Use | AUD\$ million | % |
|--|---------------------|------------|
| Senior loan repayment (including estimated interest) | (25.2) ¹ | 28.0 |
| Subordinated loan repayment (including estimated make whole and interest) | (8.9) ² | 9.9 |
| General working capital and Offer costs | (18.2) ³ | 20.2 |
| Suspension, care and maintenance costs (initial and ongoing) | (17.4) ⁴ | 19.3 |
| Development activities (required for restart, including completion of critical ventilation infrastructure required for Savannah North development) | (19.4) | 21.5 |
| Exploration | (1.0) | 1.1 |
| TOTAL | (90.1) | 100 |

Notes:

- ¹ Balance of senior debt, estimated interest and fees to expected date of facility repayment, net of repayment from proceeds account balances. Refer to ASX announcement dated 22 May 2020.
- ² Balance of subordinated debt plus estimated make whole and interest assuming the facility is repaid by 30 June 2020. The make whole reflected in the table constitutes the maximum make whole payable if Shareholders did not approve the options associated with the facility and the Horizon Share Sale, provided the facility is fully repaid by 30 June 2020. The make whole would be reduced if Shareholder approval was provided for either or both resolutions. Refer to section 7.2.
- ³ General working capital and Offer costs comprise payments to creditors and royalties totaling approximately \$30.7 million and Offer costs of approximately \$4.1 million, net of cash and receivables of approximately \$16.7 million. Receivables include net sales receipts, GST receivable, Thunder Bay sales proceeds due on completion of approximately \$4.7 million and Horizon Share Sale proceeds of approximately \$3.4 million. Refer to section 7.2.
- ⁴ Expected to fund up to a 14 month period of suspension.

The above table is a statement of current intentions as of the date of this Prospectus. It is anticipated that these funds will be applied over the next 12 months.

The above proposed use of funds is subject to ongoing review and evaluation by the Company. As at the date of this Prospectus, it is intended that the proceeds of the Offer be directed in the order of priority listed in the table above. This means that the proceeds of the Offer (after Offer costs) would first be applied to repaying the Company's senior loan (under the Savannah Facility Agreement) followed by the Company's subordinated loan (under the Zeta Loan Facility) and general working capital (including payment of the Company's creditors). Surplus funds would then be directed towards care and maintenance costs at the Savannah Nickel Mine.

While the Company intends to undertake significant development work while operations are suspended, any expenditure on development activities remains discretionary and may

be reduced depending on future circumstances. The proposed development activities include:

- completion of the new ventilation raise bore and associated works (Fresh Air Raise 3), which is part of the critical ventilation infrastructure required for the Savannah North mine development;
- development of the Savannah North decline and incline to allow for multiple mining locations;
- critical paste reticulation works required to allow for the rehabilitation of mined areas in Savannah North in due course; and
- increasing the development runway at Savannah North to reduce reliance on the remnant Savannah orebody.

Finally, the Company intends to conduct focused exploration activities while its operations are suspended, which are intended to de-risk the future restart of the Savannah Nickel Mine if and when that eventuates. The proposed exploration activities include:

- the drilling of near-mine EM targets from underground;
- the targeted drilling of the “oxide prospect” near the processing plant; and
- the mapping and drill testing of regional targets.

In the unlikely event the Underwriting Agreement is terminated (see section 9.5) and the Offer does not proceed, the Company anticipates that it would be required to seek to renegotiate terms with its secured and unsecured lenders and there is no guarantee that this can be achieved (see related risk in section 8).

As with any budget, the actual use of funds raised under the Offer may change depending on the outcome of the activities as they proceed as well as the future circumstances of the Company. The Board reserves the right to alter the way in which funds are applied on this basis.

The Company’s current cash resources and additional capital proposed to be raised by the Offer are sufficient to meet the Company’s current stated activities.

3.6 Minimum subscription

There is no minimum subscription in respect of the Entitlement Offer.

3.7 No trading of Entitlements

Entitlements to New Shares pursuant to the Entitlement Offer are non-renounceable and accordingly Eligible Shareholders may not dispose of or trade any part of their Entitlement.

3.8 Opening and Closing Dates

The Retail Entitlement Offer and the Shortfall Offer (as it relates to the Retail Entitlement Offer) will open for receipt of acceptances on Monday, 1 June 2020.

The Retail Entitlement Offer will close at 5.00pm WST on Friday, 12 June 2020, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the

change at least 3 Business Days prior to the Closing Date. The Company reserves the right to reject any Application that is received after this date. Any Application Monies for New Shares which is received after the Closing Date and which is rejected, will be refunded (without interest) as soon as practicable.

The Directors, in agreement with the Joint Lead Managers, reserve the right, subject to the Corporations Act and the Listing Rules, to vary these dates without prior notice, including to extend a Closing Date, or to accept late Applications, or to delay or withdraw the Offers made under this Prospectus. If an Offer made under this Prospectus is withdrawn, all Application Monies for New Shares under that Offer which have not been issued will be refunded (without interest) as soon as practicable.

3.9 Underwriting

The Offer is fully underwritten by the Joint Lead Managers. The Underwriting Agreement is subject to standard terms and conditions. All Valid Applications for New Shares under the Offer pursuant to this Prospectus received by the Company, from all sources will be deemed to have been accepted in full by the Company and will go in relief of the obligations of the Joint Lead Managers under the Underwriting Agreement.

Pursuant to the Underwriting Agreement, subject to the Joint Lead Managers performing their obligations under the Underwriting Agreement, the Company has agreed to pay the Joint Lead Managers (to be shared equally between them):

- (a) a management fee equal to 1.40% of the funds raised under the Placement and Institutional Entitlement Offer;
- (b) an underwriting and selling fee equal to 3.00% of the funds raised under the Placement and Institutional Entitlement Offer;
- (c) a management fee equal to 1.40% of the funds raised under the Retail Entitlement Offer;
- (d) an underwriting and selling fee equal to 3.00% of the funds raised under the Retail Entitlement Offer;
- (e) a fixed fee of \$25,000 on completion of the Offer; and
- (f) a discretionary incentive fee of up to 0.40% of the funds raised under the Offer, payable by the Company at its sole discretion having regard to the overall deal execution performance of the Joint Lead Managers.

The underwriting and selling fee will be reduced to 1.00% in respect of any funds received from certain strategic investors under the Offer.

The Company has also agreed to pay 1.00% brokerage fee to Canaccord on execution of the sale of any New Shares that would have been issued to Ineligible Foreign Shareholders if Canaccord is appointed as a nominee for the purposes of section 615 of the Corporations Act.

Hartleys Limited is acting as co-manager and the Joint Lead Managers are responsible for any commissions or fees payable to Hartleys Limited in its role as co-manager. Such commissions and fees are payable by the Joint Lead Managers out of the fees received by the Joint Lead Managers as described above.

Please refer to section 6.12 of this Prospectus for a description of the potential impact on the Offer on control of the Company and to section 9.5 of this Prospectus for a summary of the material terms and conditions of the Underwriting Agreement.

3.10 Sub-underwriting

Under the WSA Subscription Agreement, WSA has agreed to subscribe for such number of Placement Shares under the Placement that will give it a 19.9% voting power in the Company following completion of the Placement and Institutional Entitlement Offer and to partially sub-underwrite the Retail Entitlement Offer to maintain up to a 19.9% voting power in the Company following completion of the Offer. As a result of its participation in the Placement and its agreement to partially sub-underwrite the Retail Entitlement Offer, WSA is expected to hold up to 19.9% of the Company's issued Share capital following completion of the Placement and Entitlement Offer. WSA has stated that it does not intend to sell any Placement Shares before the New Shares are issued in respect of the Retail Entitlement Offer.

See section 7.2 for a summary of the WSA Subscription Agreement and section 6.12 for a description of the potential impact of the Offer on WSA's shareholding in the Company as a result of its participation in the Offer.

See section 7.2 for information regarding one of the Company's creditors who has agreed to subscribe for New Shares as a sub-underwriter under the Shortfall Offer.

3.11 Shortfall Offer

Any New Shares not subscribed for under the Placement and any Entitlements not taken up under the Entitlement Offer (including the Top Up Facility) will form the Shortfall. The offer to issue Shortfall is a separate offer under the Prospectus (**Shortfall Offer**). The Shortfall Offer will be on the same terms and conditions as the Entitlement Offer, except as set out in this Prospectus. The issue price for each New Share to be issued under the Shortfall Offer will be the Offer Price (the same issue price as under the Entitlement Offer).

Eligible Retail Shareholders who applied for Additional New Shares under the Top Up Facility will receive their Additional New Shares applied for in priority to and before any allocation of the Shortfall is made to the Joint Lead Managers (acting as underwriters) or sub-underwriters, subject at all times to the Directors' discretion to scale back applications for Additional New Shares under the Top Up Facility. The Board will exercise its discretion in the interests of Shareholders, but will scale back applications, inter alia, to the extent required by applicable laws and policy, and to allow WSA to maintain up to a 19.9% shareholding in the Company on issue of the Shortfall in respect of the Retail Entitlement Offer.

Subject to the terms of the Underwriting Agreement, the Shortfall will be allocated by agreement between the Joint Lead Managers and the Directors and in accordance with the allocation policy described in this section 3.11, though the Directors retain an overarching discretion as to how the Shortfall is ultimately allocated. Directors cannot be issued New Shares under the Shortfall Offer without prior Shareholder approval.

It is the intention that the Shortfall allocation policy will result in any Shortfall being allocated in the following order of priority:

- (a) in the Retail Entitlement Offer, Additional New Shares under the Top Up Facility, subject to the Directors' discretion to scale back applications;

- (b) in the Retail Entitlement Offer, to WSA in order to ensure its shareholding in the Company is up to 19.9% following completion of the Offer;
- (c) to the non-creditor sub-underwriters (noting that the Joint Lead Managers have been instructed to seek sub-underwriting as widely as possible, looking to allow existing holders to maintain their positions, and trying to keep any new party from obtaining a substantial holding (subject to the above) or increasing its interest above that level through the Offer, otherwise pro rata); followed by
- (d) the creditor sub-underwriter (see section 7.2 in relation to the creditor who has agreed to sub-underwrite the Offer up to \$500,000, subject to their sub-underwriting commitment being called on last).

The Placement and the Institutional Entitlement Offer will involve a bookbuild process to place the Shortfall of New Shares under the Placement and any Entitlements not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer. Any Shortfall under the Placement and the Institutional Entitlement Offer will be allocated in accordance with the Shortfall allocation policy described above and is expected to be issued on Monday, 1 June 2020.

Any Shortfall that relates to the Retail Entitlement Offer will be allocated in accordance with the Shortfall allocation policy described above and is expected to be issued on Friday, 19 June 2020.

Any further Shortfall which is not issued on Friday, 19 June 2020 (if any) will be issued within three months of the Closing Date.

The Company will not allocate or issue New Shares under the Shortfall Offer or the Top Up Facility where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant regulation or law. Eligible Retail Shareholders wishing to apply for Additional New Shares under the Top Up Facility must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the Listing Rules or any other relevant regulation or law having regard to their own circumstances.

3.12 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and such 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 Prospectus, 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 the Company and the Directors.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new

information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 8 of this Prospectus.

3.13 Withdrawal of the Retail Entitlement Offer

Panoramic reserves the right to withdraw all or part of the Offer and this Prospectus at any time, subject to applicable laws, in which case Panoramic will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Panoramic will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Panoramic.

3.14 Foreign jurisdictions

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Bermuda

No offer or invitation to subscribe for New Shares may be made to the public in Bermuda. No invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 - Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its Directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its Directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and also comply with the recognition and measurement requirements of the International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's Shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document

immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated

(together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- institutional accredited investors (as defined in Rule 501(a)(1), (2), (3) and (7) under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

4 Who can participate in the Entitlement Offer?

4.1 Entitlements and acceptance of the Institutional Entitlement Offer

An Eligible Institutional Shareholder under this Prospectus is any Shareholder as at the Record Date who is an Institutional Investor and who the Joint Lead Managers in agreement with the Company determine may receive an offer on behalf of the Company under the Institutional Entitlement Offer.

If you are an Eligible Institutional Shareholder, you are eligible to participate in the Institutional Entitlement Offer being conducted by the Company. An Institutional Investor on the Record Date who does not satisfy the criteria to be an Eligible Institutional Shareholder set out in this section will not be entitled to participate in the Institutional Entitlement Offer.

4.2 Entitlements and acceptance of the Retail Entitlement Offer

Eligible Retail Shareholders are those persons who:

- (a) are registered as a holder of Shares as at 5.00pm (WST) on the Record Date;
- (b) have a registered address in Australia or New Zealand or are, in the opinion of the Company, otherwise eligible under all applicable securities laws to receive an offer of New Shares under the Entitlement Offer;
- (c) are not an Eligible Institutional Shareholder; and
- (d) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such Eligible Retail Shareholders hold Shares for the account or benefit of such person in the United States).

The number of New Shares to which Eligible Retail Shareholders are entitled is shown in the Entitlement and Acceptance Form. In determining Entitlements, any fractional Entitlement will be rounded up to the nearest whole number. Your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus.

4.3 Ineligible Foreign Shareholders

The Retail Entitlement Offer is not being extended to anyone who is not an Eligible Retail Shareholder (**Ineligible Foreign Shareholders**). The Company has determined pursuant to Listing Rule 7.7.1 that making the Retail Entitlement Offer to Shareholders with a registered address outside of those jurisdictions is not reasonable in the circumstances, taking into account:

- (a) the number of Shareholders outside of Australia and New Zealand;
- (b) the number and value of the securities to be offered to Shareholders outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Company is not required to, and does not, make offers under the Prospectus to Shareholders outside of Australia or New Zealand unless, in the opinion of the Company, that Shareholder would be eligible under all applicable securities laws to receive an offer of New Shares under the Entitlement Offer. The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any Shareholder in other foreign jurisdictions (subject to compliance with applicable laws). The Retail Entitlement Offer is not available to any person in the United States or any person acting for the account or benefit of a person in the United States. The Company will notify all Ineligible Foreign Shareholders of the Entitlement Offer and advise that the Company is not extending the Entitlement Offer to those Shareholders.

5 How to participate in the Entitlement Offer

5.1 Options available to Eligible Retail Shareholders

If you are an Eligible Retail Shareholder you may do any one of the following:

- (a) take up all of your Entitlement (refer to section 5.3) by the Closing Date;
- (b) take up part of your Entitlements (refer to section 5.4);
- (c) if you have applied for your full Entitlement, apply for Additional New Shares under the Top Up Facility (refer to section 5.5); or
- (d) do nothing (refer to section 5.7).

If you do nothing, or accept only part of your Entitlement, you will not receive any payment or value for those Entitlements that you do not take up.

5.2 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and calculated on the basis of 1.15 New Shares for every Share you hold as at the Record Date. If the result is not a whole number, your Entitlement will be

rounded up to the nearest whole number of New Shares. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

5.3 If you wish to accept your Entitlement in full

You may elect to take up all of your Entitlements to purchase New Shares at the Offer Price. To do so, you must submit your Application via BPAY® so that payment is received before 5.00pm (WST) on Friday, 12 June 2020 (unless the Closing Date is extended by Panoramic).

Alternatively, you may complete the relevant sections of your Entitlement and Acceptance Form and return it together with your payment via cheque or bank draft. Please note that there may be delays in receiving or returning Entitlement and Acceptance Forms by mail due to the impacts of COVID-19. BPAY is the fastest and easiest way to apply and is recommended by the Share Registry in light of delays to postal services caused by the COVID-19 pandemic. Please ensure you allow for potential delays if you plan to return your Entitlement and Acceptance Form by mail.

You should instruct payment well before 5.00pm (WST) on Friday, 12 June 2020 (unless the Closing Date is extended by the Company).

The Company will treat you as applying for as many New Shares as your payment will pay for in full. The Company's decision on the number of New Shares to be issued to you will be final.

5.4 If you wish to take up part of your Entitlement

If you wish to take up part of your Entitlements, payment must be made by following the instructions set out on the personalised Entitlement and Acceptance Form. If the Company receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment will be treated as an Application for as many New Shares as your payment will pay for in full.

Eligible Retail Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up. Eligible Retail Shareholders who do not participate fully in the Retail Entitlement Offer will have their percentage holding in Panoramic reduced.

5.5 Applying for Additional New Shares

Eligible Retail Shareholders (other than Directors and any other related parties of the Company) who have applied for their full Entitlement may apply for Additional New Shares in excess of their Entitlement, capped at a maximum of 50% of their Entitlement under the Top Up Facility. By way of example, if an Eligible Retail Shareholder holds 1,000 Shares they will be entitled to 1,150 New Shares under the Retail Entitlement Offer. If they apply for the 1,150 New Shares they will also be entitled to apply for 575 Additional New Shares under the Top Up Facility.

Applications for Additional New Shares under the Top Up Facility may be made by completing the relevant section of their Entitlement and Acceptance Form in accordance with the instructions set out on that form. Payment for any Additional New Shares must be made in the same manner as described in section 5.3 of the Prospectus.

The right to receive Additional New Shares which are in excess of an Eligible Retail Shareholder's Entitlement will be determined by the Directors at their sole discretion.

Eligible Retail Shareholders who apply for Additional New Shares which are in excess of their Entitlement may not be issued any or all of those excess Additional New Shares applied for.

It is possible that there will be few or no Additional New Shares available for issue, depending on the level of take up of Entitlements by Eligible Retail Shareholders. There is also no guarantee that in the event Additional New Shares are available for issue, they will be allocated to all or any of the Eligible Retail Shareholders who have applied for them. The Company shall allot and issue any Additional New Shares under the Top Up Facility in accordance with the allocation policy set out in section 3.11 of this Prospectus.

It is an express term of the Retail Entitlement Offer that Applicants for Additional New Shares will be bound to accept a lesser number of Additional New Shares allocated to them than applied for if so allocated. If a lesser number of Additional New Shares is allocated to them than applied for, excess Application Monies will be refunded without interest.

The Directors reserve the right to scale back any applications for Additional New Shares in their absolute and sole discretion. When determining the amount (if any) by which to scale back an Application, the Directors may take into account a number of factors, including the size of the Applicant's shareholding in the Company, the extent to which the Applicant has sold or bought Shares in the Company before and after both the announcement of the Entitlement Offer and the Record Date, as well as when the Application was made. The Board will exercise its discretion in the interests of Shareholders, but will scale back applications, inter alia, to the extent required by applicable laws and policy, and to allow WSA to maintain up to a 19.9% shareholding in the Company on issue of the Shortfall in respect of the Retail Entitlement Offer.

Eligible Retail Shareholders who apply for Additional New Shares should note that the Company will not allocate or issue New Shares under the Top Up Facility where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant regulation or law. Eligible Retail Shareholders wishing to apply for Additional New Shares under the Top Up Facility must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the Listing Rules or any other relevant regulation or law having regard to their own circumstances.

5.6 Cooling off rights

Cooling off rights do not apply to an investment in New Shares under the Entitlement Offer. Eligible Shareholders cannot withdraw their Application or payment once it has been accepted unless permitted to do so in accordance with the Corporations Act.

5.7 Do nothing and allow your Entitlements to lapse

If you take no action you will not be allocated New Shares and your Entitlement will lapse.

Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and cannot be sold, traded or otherwise disposed of; it will form part of the Shortfall for the purposes of the Underwriting Agreement.

Eligible Retail Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

Eligible Retail Shareholders who do not participate fully in the Retail Entitlement Offer will have their percentage holding in Panoramic reduced. See section 6.12 for further information.

If you have any doubt about how you should deal with your Entitlements, you should seek professional advice from an adviser who is licensed by ASIC to give that advice before making any investment decision.

5.8 Payment

You can pay in the following ways:

- (a) by BPAY®; or
- (b) by cheque or bank draft.

Cash payments will not be accepted. Receipts for payment will not be issued. Panoramic will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement and any Additional New Shares up to the cap. Any Application Monies received for more than your Entitlement to New Shares including any Additional New Shares up to the cap will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Applicants on any Application Monies received or refunded.

Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in section 5.10; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (WST) on Friday, 12 June 2020 (unless the Closing Date is extended by Panoramic). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

Payment by cheque or bank draft

For payment by cheque or bank draft, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque or bank draft in Australian currency for the amount of the Application Monies, payable to "Panoramic Resources Limited" and crossed "Not Negotiable".

Your cheque or bank draft must be:

- (a) for an amount equal to \$0.07 multiplied by the number of New Shares and Additional New Shares that you are applying for; and
- (b) in Australian currency drawn on an Australian branch of a financial institution.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your Application will not be accepted.

5.9 Mail

To participate in the Retail Entitlement Offer, your payment must be received no later than the Closing Date, being 5.00pm (WST) on Friday, 12 June 2020 (unless extended). If you make payment via cheque, or bank draft, you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address

Computershare Investor Services Pty Limited
GPO Box 505 Melbourne VIC 3001
Australia

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at other offices of the Share Registry.

Please note that there may be delays in receiving or returning Entitlement and Acceptance Forms by mail due to the impacts of COVID-19. BPAY is the fastest and easiest way to apply and is recommended by the Share Registry in light of delays to postal services caused by the COVID-19 pandemic. Please ensure you allow for potential delays if you plan to return your Entitlement and Acceptance Form by mail.

5.10 Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to Panoramic that you are an Eligible Retail Shareholder and:

- (a) acknowledge that you have read and understand this Prospectus and your personalised Entitlement and Acceptance Form in their entirety;
- (b) agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Prospectus, and Panoramic's Constitution;
- (c) authorise Panoramic to register you as the holder(s) of New Shares allotted to you;
- (d) declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (e) declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;

- (f) acknowledge that once Panoramic receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- (g) agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- (h) authorise Panoramic, the Joint Lead Managers, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Company's Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (j) acknowledge that the information contained in this Prospectus and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledge that determination of eligibility of Eligible Shareholders for the purposes of Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and acknowledge that each of the Company, the Joint Lead Managers and the Share Registry and their respective officers, employees and agents disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (l) acknowledge the "Key Risks" in section 8 of this Prospectus, and that investments in Panoramic are subject to risk;
- (m) acknowledge that none of Panoramic, the Joint Lead Managers, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Panoramic, nor do they guarantee the repayment of capital;
- (n) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (o) authorise Panoramic to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (p) represent and warrant (for the benefit of Panoramic, the Joint Lead Managers and their respective related bodies corporate and affiliates) that you are not an Ineligible Foreign Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- (q) if you are outside Australia and New Zealand, you represent and warrant (for the benefit of Panoramic, the Joint Lead Managers and their respective related bodies corporate and affiliates) that you are in a Permitted Jurisdiction and are an Institutional Investor as defined in your Permitted Jurisdiction;

- (r) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares or being issued New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (s) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- (t) represent and warrant that the Corporations Act and the Listing Rules do not prohibit you from being given this Prospectus and the personalised Entitlement and Acceptance Form, nor do they prohibit you from making an Application for New Shares or being issued New Shares and that no approvals or authorisations are required to permit you to apply for New Shares or be issued New Shares (including any authorisations required by FIRB under the *Foreign Acquisitions and Takeovers Act 1975* (Cth));
- (u) acknowledge that the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States and accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws;
- (v) you have not and will not send this Prospectus, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand except nominees and custodians may send such materials to Shareholders who are Institutional Investors in Permitted Jurisdictions (excluding the United States); and
- (w) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the US Securities Act; notwithstanding the foregoing, you may sell such New Shares in regular way transactions on the ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States.

5.11 Application Monies

Until issue and allotment of the relevant New Shares a under the Entitlement Offer pursuant to this Prospectus, the Application Monies will be held in trust in a separate bank account which will be used for that purpose only. Any interest earned on Application Monies will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares takes place.

5.12 ASX quotation

An application for Official Quotation of the New Shares allotted pursuant to this Prospectus has been made to ASX or will be made within seven days following the date of this Prospectus.

If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not allot any New Shares and will repay all Application Monies for the New Shares within the time period prescribed under the Corporations Act, without interest.

A decision by ASX to grant Official Quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the New Shares now offered for subscription.

5.13 Taxation implications

Eligible Shareholders should obtain independent advice on the taxation implications arising out of their participation in the Entitlement Offer.

5.14 Further queries

If you have any queries regarding your Entitlement, please contact the Company Secretary by phone on +61 8 6266 8600 or by email to info@panres.com or contact your stockbroker or professional adviser.

6 Financial information and effect of the Offer on the Company

6.1 Introduction

The financial information for the Group contained in this section 6 comprises:

- the historical consolidated statement of financial position as at 31 December 2019 (hereafter the **Historical Financial Information**); and
- the pro forma historical consolidated statement of financial position as at 31 December 2019 (hereafter the **Pro Forma Historical Financial Information**),

(Collectively, the **Financial Information**)

Section 6.2 also summarises the basis of preparation and presentation of the Financial Information.

The Financial Information has been reviewed, in accordance, with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Fundraising and/or Prospective Financial Information*, by Ernst & Young as set out in the Independent Limited Assurance Report (**ILAR**) in section 12. Investors should note the scope and limitations of the ILAR (refer to section 12).

The Financial Information presented in this section 6 should be read in conjunction with the risk factors set out in section 8 and other information contained in this Prospectus. As the Financial information has been prepared as at 31 December 2019, readers should also consider the subsequent events set out in 6.7(c).

Amounts in this section have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016.

6.2 Basis of preparation and presentation of the Financial Information

The Directors of the Company are responsible for the preparation and presentation of the Financial Information. The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the financial position of the Group.

The Financial Information is presented in an abbreviated form and does not include all of the presentation, disclosures, statements and comparative information as required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

6.3 Preparation of Historical Financial Information

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles prescribed in Australian Account Standards (**AAS**) issued by the Australian Accounting Standards Board (**AASB**) which includes AASB 134: *Interim Financial Reporting* ("AASB 134"). AAS is consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

The Historical Financial Information of the Group as at 31 December 2019 has been derived from its interim consolidated financial statements as at and for the half-year ended 31 December 2019 prepared in accordance with AASB 134, which has been

reviewed by Ernst & Young. Ernst & Young issued an unmodified review conclusion, which contained an emphasis of matter on a material uncertainty related to going concern, on these interim consolidated financial statements.

The Historical Financial Information should be read in conjunction with the annual consolidated financial report of the Group for the year ended 30 June 2019 and the interim consolidated financial statements for the Group for the half-year ended 31 December 2019, including a description of the accounting policies contained in the financial statements and notes to those financial statements.

The annual financial report of the Group for the year ended 30 June 2019 and the interim consolidated financial statements for the Group for the half-year ended 31 December 2019 were lodged with ASX and are available free of charge at <http://www.asx.com.au/>.

6.4 Preparation of Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information of the Group has been prepared solely for inclusion in this Prospectus.

The Pro Forma Historical Statement of Financial Position for the Group has been prepared in accordance with the recognition and measurement requirements of AAS other than that it includes adjustments which have been prepared in a manner consistent with AAS that reflect the impact of certain transactions as if they occurred as at 31 December 2019. Due to its nature, the Pro Forma Historical Financial Information does not represent the Group's actual or prospective financial position.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information, after adjusting for pro forma transactions to reflect:

- (a) the issue of 1,287,782,496 New Shares in the Company in accordance with the Offer to raise gross proceeds of up to approximately \$90,145,000; and
- (b) the costs (after tax) associated with the Offer estimated to be approximately \$4,100,000.

6.5 Historical and Pro Forma Historical Financial Information

The table below sets out the Historical Financial Information and Pro Forma Historical Financial Information of the Group as at 31 December 2019.

| | | Historical Statement of Financial Position as at 31 December 2019 \$'000 | Pro Forma Adjustments \$'000 | Pro Forma Historical Statement of Financial Position as at 31 December 2019 \$'000 |
|---|--------|---|------------------------------------|--|
| | Note | | | |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 6.7(a) | 13,719 | 86,045 | 99,764 |
| Trade and other receivables | | 3,647 | | 3,647 |
| Inventories | | 11,447 | | 11,447 |
| Prepayments | | 962 | | 962 |
| Disposal group of classified as held for sale | | 4,464 | | 4,464 |
| Total current assets | | 34,239 | 86,045 | 120,284 |
| Non-current assets | | | | |
| Property, plant and equipment | | 63,217 | | 63,217 |
| Right-of-use assets | | 19,637 | | 19,637 |
| Exploration and evaluation | | 28,768 | | 28,768 |
| Development properties | | 95,429 | | 95,429 |
| Mineral properties | | 28 | | 28 |
| Financial assets at fair value through profit or loss | | 1,228 | | 1,228 |
| Other non-current assets | | 181 | | 181 |
| Total non-current assets | | 208,488 | - | 208,488 |
| Total assets | | 242,727 | 86,045 | 328,772 |
| Liabilities | | | | |
| Current liabilities | | | | |
| Trade and other payables | | 28,971 | | 28,971 |
| Borrowings | | 26,838 | | 26,838 |
| Derivative financial instruments | | 4,765 | | 4,765 |
| Provisions | | 2,534 | | 2,534 |
| Total non-current liabilities | | 63,108 | - | 63,108 |
| Non-current liabilities | | | | |
| Borrowings | | 23,422 | | 23,422 |
| Derivative financial instruments | | 17,479 | | 17,479 |
| Provisions | | 33,061 | | 33,061 |
| Total non-current liabilities | | 73,962 | - | 73,962 |
| Total liabilities | | 137,070 | - | 137,070 |
| Net assets | | 105,657 | 86,045 | 191,702 |

| | | Historical Statement of Financial Position as at 31 December 2019 | Pro Forma Adjustments | Pro Forma Historical Statement of Financial Position as at 31 December 2019 |
|---|--------|---|--------------------------|--|
| EQUITY | | | | |
| Contributed equity | 6.7(b) | 240,083 | 86,045 | 326,128 |
| Reserves | | (614) | | (614) |
| Accumulated losses | | (140,206) | | (140,206) |
| Amounts recognised in equity relating to the disposal group | | 1,200 | | 1,200 |
| Non-controlling interests | | 5,194 | | 5,194 |
| Total equity | | 105,657 | 86,045 | 191,702 |

The table above should be read in conjunction with Section 6.6 – Going Concern and Section 6.7 – Notes to the Historical Financial Information and Pro Forma Historical Financial Information.

6.6 Going concern

The Financial Information has been prepared on a going concern basis, which contemplates continuity of the Group's normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group had a historical net current liability position of \$28,869,000 as at 31 December 2019 and cash outflows from operating and investing activities of \$15,639,000 for the half-year ended 31 December 2019.

The Company raised capital of \$32,700,000 before costs (\$30,863,000 after costs) in January 2020, through the retail component of an underwritten accelerated non-renounceable pro-rata entitlement offer.

As a result of the COVID-19 pandemic, on 15 April 2020, the Group announced suspension of operations at the Savannah Project (refer to section 6.7(c)(i) below for more details).

The Directors believe that the current cash resources, as well as the forecast future cash flows, will not be sufficient to execute the Group's principal activities planned and working capital requirements without raising additional capital.

For the reasons described above, in respect of the Historical Financial Information, there is a material uncertainty whether the Group will continue as a going concern and, therefore, continue its business activities and realise its assets and discharge its liabilities in the normal course of business.

The Directors have considered the above factors and believe that in preparing the Historical Financial Information, there are reasonable grounds to consider that the Group will be able to continue as a going concern taking into account that, the Group:

- is actively pursuing a capital raise of up to approximately \$90,000,000 (being the Offer), targeted for completion by 22 June 2020;
- has completed the Sale of Thunder Bay North Project in May 2020 (refer to section 6.7(c)(xi));

- subject to obtaining Shareholder approval, will sell of the balance of the shareholding in Horizon by July 2020 (refer to section 6.7(c)(iv)); and
- has been actively monitoring the cash flows to optimise the costs and will continue to do so, if required.

Given the above, the Directors expect the Company will have sufficient funds to:

- settle the current outstanding liabilities;
- provide the necessary funding for critical path pre-production activities for the next 12 months from the date of this Prospectus to de-risk and improve the project economics, if and when a decision is made to restart the Savannah Project; and
- provide necessary funding for working capital for the next 12 months from the date of this Prospectus.

Should a decision to recommence mining at Savannah Project be made, the Group may need to raise further additional funds via equity or debt.

The Directors have concluded that, subject to the completion of the Offer, as well as the other transactions discussed above and their ability to optimise cost measures, the Group will have sufficient funding available to fund the Group's ongoing operating activities and planned capital expenditure for a period of 12 months from the date of this Prospectus and thus it is appropriate to prepare the Historical Financial Information of the Group on a going concern basis.

The Historical Financial Information does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

6.7 Notes to the Historical Financial Information and Pro Forma Historical Financial Information

(a) Cash and cash equivalents

| | As at 31 December 2019 '\$'000 |
|---|-----------------------------------|
| Cash and Cash Equivalents as per the Historical Financial Information | 13,719 |
| Proceeds from the issue of New Shares pursuant to the Offer | 90,145 |
| Transaction costs of the Offer | (4,100) |
| Cash and Cash Equivalents as per the Pro Forma Historical Financial Information | 99,764 |

(b) **Reconciliation of contributed equity**

| | As at 31 December 2019 '\$'000 |
|---|---|
| Contributed equity as per the Historical Financial Information | 240,083 |
| Proceeds from the issue of 1,287,782,496 fully paid ordinary New Shares pursuant to this Prospectus | 90,145 |
| Transaction costs of the Offer | (4,100) |
| Contributed equity as per the Pro Forma Historical Financial Information | 326,128 |

Refer to section 6.9 of the Prospectus for a reconciliation of the number of Shares on issue at the date of this Prospectus.

(c) **Subsequent events**

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020.

On 15 April 2020, the Company announced that it had suspended operations at the Savannah Nickel Mine. The decision to suspend operations was mainly due to the COVID-19 pandemic which has adversely impacted operations, including transportation, availability and cost of personnel, equipment and supplies at site and controls at site given the heightened sensitivity with the Kimberley region and communities close to the operations. These factors led to significant operational uncertainty including restraints beyond the Group's control, impacted operational costs and undermined the Group's ability to manage the ramp up of production from the Savannah North ore body.

It is not possible to estimate the impact of the outbreak's near-term and longer effects on the Group. This being the case, the Company does not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time.

The Financial Information has been prepared based on conditions that existed at 31 December 2019. All subsequent events detailed in this section, including suspension of Savannah Project, arose after 31 December 2019 and are not indicative of events and circumstances that existed at 31 December 2019. As non-adjusting subsequent events, no adjustments have been made to the Financial Information as at 31 December 2019.

(i) **Suspension of operations**

As noted above, the decision to put the Savannah Project on care and maintenance may impact the recoverable amount of the Savannah Project. At the date of this Prospectus, the Group is updating the life of mine plan and other optimisation studies to determine the most effective way to mine the Savannah North ore body. The outcome of this review of the life of mine plan and changes in

market conditions could impact the recoverable amount of the Savannah Project which at 31 December 2019 had a carrying value of approximately \$178,600,000. The Group's assets will be tested for impairment at the next financial report date of the Group, being 30 June 2020. To the extent that the carrying value of the Group's non current assets exceeds their estimated recoverable amount at the next reporting date, the assets will be impaired and an expense recognised in profit or loss.

The costs incurred whilst the mine is on care and maintenance will be expensed in the profit or loss.

The decision to put the Savannah Project on care and maintenance has resulted in:

- the suspension of the underground mining contract with Barminco (see note 6.7(c)(ii) below);
- the suspension of power supply contract with Contract Power (see note 6.7(c)(iii) below);
- the Group entering into a standstill agreement with Macquarie and waiver agreement with Zeta (see notes 6.7(c)(viii) and 6.7(c)(v) below);
- planned redundancies of certain operational and corporate employees (refer to note 6.7(c)(vii) below);
- the suspension of supply under the Concentrate Supply Agreement between Savannah, Sino Nickel Pty Ltd and Jinchuan Group Co., Ltd. In accordance with the terms of the Concentrate Supply Agreement, Savannah has notified Sino Nickel Pty Ltd and Jinchuan Group Co., Ltd. of the suspension of mining operations at the Savannah Nickel Mine and as a result the suspension of supply of product under the Concentrate Supply Agreement. There are no penalties payable as a result of the suspension of supply under the Concentrate Supply Agreement; and
- the Group entering into Forbearance Agreements with creditors (see note 6.7(c)(xiii) below).

(ii) Suspension of the Barminco Contract

On 21 February 2020, the Company's wholly owned subsidiary Savannah and Barminco entered into a long-term underground mining services contract for the Savannah Nickel Mine. Refer to section 7.2 of the Prospectus for a summary of the key terms of the contract.

The Company, Barminco and Savannah have entered into the Barminco Forbearance in respect of the amount owing to Barminco. Refer to section 7.2 of the Prospectus for further details of the Barminco Forbearance.

(iii) Suspension of power supply contract with Contract Power

Savannah and Contract Power are parties to a power supply agreement for the Savannah Nickel Mine. On 20 May 2020, Savannah, the Company and Contract Power entered into a Forbearance Agreement in respect of the amount owing to Contract Power for power supplied to the Savannah Nickel Mine, in addition to setting out the ongoing commercial arrangements during the period of suspension of operations at the Savannah Nickel Mine. Refer

to section 7.2 of the Prospectus for further details of the Forebearance Agreements generally.

(iv) Sale of Horizon shareholding

On 18 February 2020, the Company sold a portion of its shareholding in Horizon to Panoramic's major Shareholder, Zeta. A total of 20,237,037 shares in Horizon were sold at \$0.27 per share. Gross transaction proceeds received by the Company from the sale were \$5,449,000. The transaction resulted in an unaudited net gain of approximately \$5,013,000 which will be recognised in the profit or loss at the date of sale.

The Company's shareholding in Horizon following the sale transaction was 18,793,000 ordinary shares, which represented approximately 24.6% of Horizon's share capital. This transaction resulted in the Group losing control of Horizon and accordingly, the net assets of Horizon, amounting to \$10,067,000 as at 31 December 2019, were derecognised by the Group at the date of sale. At the date of sale, the retained interest in Horizon had a fair value of \$4,700,000 based on Horizon's listed share price.

Subsequent to the transaction described above, in March 2020, the Company sold 350,000 Horizon shares to non-executive directors of Horizon and 1,260,000 Horizon shares to sophisticated and professional investors. The total proceeds received from the sale of these Horizon shares amounted to \$320,000.

On 30 March 2020, the Company entered into the Horizon Share Sale agreement relating to the disposal of the remaining 17,183,580 ordinary shares held by the Company in Horizon to Zeta for approximately \$3,437,000. The sale of these 17,183,580 ordinary shares in Horizon is subject to approval by Panoramic's Shareholders.

The Management Agreement between the Company and Horizon was terminated on 30 April 2020. The termination of the Management Agreement between the Company and Horizon has had no significant financial impact on the Group.

(v) Zeta Loan Facility and Zeta Waiver

In April 2020, the Company's major Shareholder, Zeta Resources Limited (**Zeta**) provided an unsecured loan of \$8,000,000 to fund activities at the Savannah Nickel Mine and for working capital. The draw down of the loan on 7 April 2020 by the Group has resulted in the recognition of financial liabilities for an equivalent amount.

Macquarie has provided consent, under the Company's existing senior secured debt facility (the Savannah Facility Agreement), in connection with the Zeta Loan Facility. Refer to section 7.2 for more information regarding the Zeta Loan Facility.

Zeta and the Company have entered into the Zeta Waiver (see above), pursuant to which Zeta has given several waivers in respect of certain covenants under the Zeta Loan Facility that relate to the Company entering into the Forbearance Agreements and the Company's Shares being suspended for a period of time. Refer to section 7.2 for more information regarding the Zeta Loan Facility and the effect of the Zeta Waiver.

(vi) Close out of hedge book

On 31 March 2020, the Company increased its existing credit facility under the Savannah Facility Agreement with Macquarie by \$10,000,000. The increase in the facility was utilised by the Company to close out all its commodity and A\$:US\$ currency hedges in place at the time. The Company's hedge book as at 31 March 2020, had a fair value (out of the money) of approximately \$10,000,000. Following suspension of the mining operations at the Savannah Nickel Mine, the unaudited carrying value of the hedge reserve of \$10,000,000 at 31 March 2020, was reclassified as an expense in profit or loss as the specified hedged transactions were no longer expected to occur. Refer to section 7.2 for more information regarding the Savannah Facility Agreement.

(vii) Redundancies

Following the suspension of the operations at the Savannah Nickel Mine, the Group is in the process of implementing structural changes and cuts to operational and corporate costs within the organisation. Based on the Company's review of its ongoing staffing requirements, it is expected that the Group would incur redundancy costs in implementing the structural changes, the quantum of which cannot be predicted at present. The redundancy payments will be funded from the proceeds of the Offer and will be recognised as an expense in profit or loss once the Group finalises its formal redundancy plan and announces the main features of the plan to those affected by it.

(viii) Savannah Facility Agreement and Macquarie Standstill

Macquarie has advanced \$30 million (which includes the \$10 million advanced on 31 March 2020 (refer to 6.7(c)(vii) above) to the Company under the Savannah Facility Agreement. The Company was not in compliance with the Savannah Facility Agreement subsequent to the release of the interim consolidated financial statements for the Group for the half-year ended 31 December 2019. Accordingly, the full amount outstanding under the Macquarie facility was classified as a current liability. Macquarie, the Company, Savannah and Pan Transport have entered into the Macquarie Standstill, under which Macquarie agrees that it will not take any acceleration or enforcement action against the Company in respect of the SFA unless certain prescribed circumstances exist. Separately, as announced by Zeta and the Company on 18 May 2020, Macquarie has entered into a Put and Call Option Deed with Zeta in respect of the Savannah Facility Agreement. The key terms of the Put and Call Option Deed are set out in Zeta's ASX announcement of 18 May 2020. Refer to section 7.2 for more information regarding the Savannah Facility Agreement, the Macquarie Standstill and the Put and Call Option Deed.

(ix) Completion of previous retail entitlement offer.

On 14 January 2020, the Company completed the retail component of its underwritten accelerated non-renounceable pro-rata entitlement offer for one new ordinary Share for every six existing ordinary Shares. The total amount raised under the entitlement offer was \$32,700,000 before costs (\$30,863,000 after costs).

(x) Previous Zeta bridging loan

On 25 November 2019, the Company executed a \$10,500,000 unsecured loan agreement with its major Shareholder, Zeta. The terms of the agreement are detailed in the interim report for the half-year 31 December 2019 at note 11. The Zeta bridging loan, including interest and fees, was repaid on 16 January 2020 via set off from Zeta's \$11,500,000 participation in the retail entitlement offer that completed on 14 January 2020.

(xi) Sale of Thunder Bay North Project

The sale of the Company's Thunder Bay North Project was completed on 15 May 2020 and the initial tranche of the sale proceeds of approximately \$2,200,000 (CAD\$2,000,000) has been received. The sale of the Thunder Bay North Project resulted in a gain which will be recognised in the profit or loss. Refer to section 7.2 for more information regarding the sale of the Thunder Bay North Project.

(xii) Savannah Mineral Resource Update

The Company provided a resource update for the Savannah project on 7 May 2020. Total contained metal is 209,800t Ni at a grade of 1.56% (previously 217,000t Ni at a grade of 1.67%), 94,200t Copper at a grade of 0.70% (previously 100,100t Cu at a grade of 0.77%) and 13,700t Cobalt at a grade of 0.10% (previously 14,800t at a grade of 0.11%).

(xiii) Creditor Payments

In May 2020, the Group has signed Forbearance Agreements with certain creditors. Refer to section 7.2 of the Prospectus for further details of the Forbearance Agreements.

6.8 Effect of the Offer

The principal effects of the Offer on the Company are as follows:

- (a) the Company will issue approximately 1,287,782,496 New Shares and the total number of Shares on issue will increase to approximately 2,050,912,863 Shares;
- (b) the cash reserves of the Company will increase by up to approximately \$86,045,000 (net of expenses of the Offer) immediately after completion of the Offer;
- (c) the equity of Eligible Shareholders who do not participate in the Entitlement Offer will be diluted as is evidenced from the figures set out above; and
- (d) the secondary trading of the Placement Shares to be issued under the Placement and any New Shares issued under the Shortfall will be facilitated.

6.9 Effect on capital structure

The anticipated effect of the Offer on the capital structure of the Company is set out below.

| | Maximum effect of the Offer |
|--|-----------------------------|
| Shares currently on issue | 763,130,367 |
| Maximum New Shares to be issued under the Placement | 410,182,573 |
| Maximum New Shares to be issued under the Entitlement Offer | 877,599,923 |
| Maximum Shares on issue after completion of the Offer | 2,050,912,863 |

6.10 Market prices of Shares on ASX

The highest and lowest closing market sale price of Shares on ASX during the three (3) months immediately preceding the date of this Prospectus and the respective dates of those sales were \$0.215 on 6 March 2020 and \$0.115 on 8 April 2020.

The Company's Shares have been in suspension since 15 April 2020. The latest available market sale price of Shares on ASX before the Company's Shares were suspended was \$0.12 on 14 April 2020.

6.11 Takeover prohibition

Pursuant to section 615 of the Corporations Act, the Company has appointed Canaccord as its nominee to sell the New Shares that might have otherwise been issued to Ineligible Foreign Shareholders. The Company obtained in-principle ASIC approval for the appointment of the nominee on 22 May 2020, as required by section 615 of the Corporations Act.

The nominee will subscribe for the New Shares which Ineligible Foreign Shareholders would be entitled to if they were eligible to participate in the Entitlement Offer (**Nominee Shares**). The nominee will then sell the Nominee Shares and remit the net proceeds from the sale of the Nominee Shares (if any) to the Ineligible Foreign Shareholders in proportion to their respective shareholdings. The nominee will have the absolute and sole discretion to determine the timing and price at which the Nominee Shares must be sold and the manner of any such sale. Any interest earned on the proceeds of the sale of the Nominee Shares will firstly be applied against expenses of the sale, including brokerage, and any balance will form part of the proceeds payable to the Ineligible Foreign Shareholders (if any).

The Company will forward the proceeds of the sale of the Nominee Shares (if any) as soon as reasonably practicable to the Ineligible Foreign Shareholders in proportion to their respective shareholdings (after deducting the subscription price, brokerage commission and any other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Notwithstanding that the nominee must sell the Nominee Shares, Ineligible Foreign Shareholders may nevertheless receive no

net proceeds if the subscription price plus costs of the sale is greater than the sale proceeds.

For performing this role, the Canaccord will receive a 1.00% brokerage fee on execution of the sale of any Nominee Shares (as agreed by the Company under the Underwriting Agreement). ASIC's in-principle approval for the Company to appoint Canaccord as its nominee was given on the basis that:

- Zeta will not participate in the Placement, will likely take up less than its full Entitlement under the Retail Entitlement Offer and will not sub-underwrite the Placement or the Entitlement Offer; and
- WSA is not a Shareholder in Panoramic as at 22 May 2020, will subscribe for such number of New Shares under the Placement that will result in it holding 19.9% of the Company's issued Share capital and will partially sub-underwrite the Retail Entitlement Offer to maintain its 19.9% shareholding in the Company and does not intend for its shareholding to exceed 19.9%.

6.12 Potential impact of Offer on control of the Company

The maximum number of New Shares which will be issued pursuant to the Offer is 1,287,782,496. This equates to approximately 62.79% of all the issued Shares in the Company immediately following completion of the Offer.

As the Offer is fully underwritten, Shareholders should note that if they do not participate in the Offer, their holdings will be diluted by approximately 62.79% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

| Shareholder | Shareholding as at Prospectus date | % shareholding as at Prospectus date | % shareholding post Placement and Entitlement Offer |
|-------------|------------------------------------|--------------------------------------|---|
| 1 | 38,156,518 | 5.00% | 1.86% |
| 2 | 15,262,608 | 2.00% | 0.74% |
| 3 | 7,631,304 | 1.00% | 0.37% |
| 4 | 3,815,652 | 0.50% | 0.19% |

Notes:

1. The table shows the maximum dilutionary effect on the assumption that the Placement and Entitlement Offer completes and the relevant Shareholder does not accept any of their Entitlements and all unaccepted Entitlements are placed through the Shortfall Offer.

Based on publicly available information as at the date of this Prospectus, those persons (which together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

| Shareholder | Shares | % |
|--|-------------|-------|
| Zeta Resources Limited | 268,757,615 | 35.2% |
| Squadron Resources Pty Ltd, Forrest Family Investments Pty Ltd and John Andrew Henry Forrest | 48,381,638 | 6.3% |

Zeta's intentions

Zeta has informed the Company that it does not intend to participate in the Placement, but that it may subscribe for up to approximately \$10 million of New Shares under the Retail Entitlement Offer and in any case will subscribe for at least approximately \$4.5 million of New Shares under the Retail Entitlement Offer. Further, Zeta intends that the subscription price for approximately \$4.5 million of the New Shares applied for by Zeta under the Retail Entitlement Offer will be set off against the amount owing to Zeta under the Zeta Loan Facility, with the subscription price exceeding that amount (if any) to be settled in cash.

WSA's participation in the Placement and Entitlement Offer

The Company and WSA have entered into the WSA Subscription Agreement, pursuant to which WSA has agreed to subscribe for such number of New Shares under the Placement that will give it a 19.9% interest in the Company on completion of the Placement and Institutional Entitlement Offer. WSA has agreed to partially sub-underwrite the Retail Entitlement Offer to maintain up to a 19.9% shareholding in the Company after completion of the Offer. WSA has stated that it does not intend to sell any Placement Shares before the New Shares are issued in respect of the Retail Entitlement Offer.

Based on the information known as at the date of this Prospectus, on the assumption that all Eligible Shareholders take up their full Entitlements under the Entitlement Offer (other than Zeta, as per its stated intention), as at the Closing Date the following persons will have an interest in 5% or more of the Shares on issue:

| Shareholder | Shares | % |
|---|-------------|-------|
| Zeta Resources Limited | 411,614,758 | 20.1% |
| Western Areas Limited | 305,284,184 | 14.9% |
| Squadron Resources Pty Ltd, Forrest Family Investments Pty Ltd and John Andrew Henry Forrest* | 130,025,652 | 6.3% |

Notes:

- 1 Assumes Zeta does not participate in the Placement, subscribes for \$10 million of New Shares under the Entitlement Offer and does not apply for Additional New Shares under the Top Up Facility.
- 2 Assumes WSA subscribes for such number of New Shares under the Placement that results in it holding 19.9% of the Company's issued Share capital on completion of the Placement.
- 3 Assumes Squadron Resources Pty Ltd and its associates subscribe for such number of New Shares under the Placement that maintains its current shareholding of 6.3% on completion of the Placement.

If all Eligible Shareholders do not take up their Entitlements under the Entitlement Offer, it is possible that, based on the information known as at the date of this Prospectus, the following investors who may participate in the Placement or who may take up New Shares under the Shortfall Offer as sub-underwriters may hold an interest in 5% or more of the Shares on issue following completion of the Offer:

| Shareholder | Shares | % |
|---|-------------|-------|
| Zeta Resources Limited | 333,043,329 | 16.2% |
| Western Areas Limited | 408,131,659 | 19.9% |
| Squadron Resources Pty Ltd, Forrest Family Investments Pty Ltd and John Andrew Henry Forrest* | 130,025,652 | 6.3% |

Notes:

- 1 Assumes Zeta does not participate in the Placement, subscribes for \$4.5 million of New Shares under the Entitlement Offer, does not apply for Additional New Shares under the Top Up Facility and does not sub-underwrite the Entitlement Offer.
- 2 Assumes WSA subscribes for such number of New Shares under the Placement that results in it holding 19.9% of the Company's issued Share capital on completion of the Placement and subscribes for such number of New Shares under the Retail Entitlement Offer Shortfall that maintains its shareholding at 19.9% following completion of the Offer.
- 3 Assumes Squadron Resources Pty Ltd and its associates subscribe for such number of New Shares under the Placement that maintains its current shareholding of 6.3% on completion of the Placement.

Pursuant to the Underwriting Agreement, the Joint Lead Managers agree to subscribe for all of the New Shares proposed to be issued under the Offer, to the extent those New Shares aren't taken up under the Placement and the Entitlement Offer. The table below sets out the potential voting power the Joint Lead Managers may hold on completion of the Offer in various scenarios, assuming they are required to subscribe for all of the Shortfall and cannot place any of that Shortfall to a sub-underwriter.

| | Morgans' % shareholding following completion of the Offer | Canaccord's % shareholding following completion of the Offer |
|---------------------------------------|---|--|
| Shortfall comprises 100% of the Offer | 31.4% | 31.4% |
| Shortfall comprises 75% of the Offer | 23.5% | 23.5% |
| Shortfall comprises 50% of the Offer | 15.7% | 15.7% |
| Shortfall comprises 25% of the Offer | 7.8% | 7.8% |
| No Shortfall | 0.0% | 0.0% |

7 Company Update

7.1 Operations update

Recently, the Company has successfully completed the work required to suspend operations at the Savannah Nickel Mine. It has also undertaken a review of, and subsequently updated, its Mineral Resources (see announcement dated 7 May 2020).

As shown in section 3.5, the Company intends to undertake several development activities while its mining operations are suspended, including:

- completion of the new ventilation raise bore and associated works (Fresh Air Raise 3), which is part of the critical ventilation infrastructure required for the Savannah North mine development;
- development of the Savannah North decline and incline to allow for multiple mining locations;
- critical paste reticulation works required to allow for the rehabilitation of mined areas in Savannah North in due course; and
- increasing the development runway to reduce reliance on the remnant Savannah orebody.

These activities are intended to drive operational performance and de-risk the restart of mining activities at the Savannah Nickel Mine, if and when a restart occurs. See section 8 for information regarding the potential risks associated with these development activities and the restart of mining activities at the Savannah Nickel Mine.

The Company is also updating its life of mine plan and Ore Reserve estimates, based on the revised Mineral Resource estimate announced 7 May 2020. The Company expects an updated life of mine plan and Ore Reserve estimates may be available in July 2020. The Company also intends to undertake metallurgical test-work to improve ROM stockpile management and further optimise its operating strategy.

The Company is conducting a review of its Panton PGM assets, including whether the Company could realise any benefit from a potential sale of those assets. Whilst the Company continues to seek proposals for its Panton project, that process is in its early stages and there is no guarantee of any transaction.

7.2 Material contracts update

WSA Subscription Agreement

The Company and WSA have entered into the WSA Subscription Agreement under which WSA has agreed to pay and subscribe for, and the Company has agreed to issue, such number of Placement Shares pursuant to the Placement that will give WSA an interest of 19.9% in the Company upon completion of the Placement and Institutional Entitlement Offer.

WSA also undertakes to complete and return a retail offer Shortfall commitment pursuant to which it irrevocably subscribes for up to that number of Shortfall Shares under the Shortfall in respect of the Retail Entitlement Offer, such that WSA maintains an interest of up to 19.9% in the Company following completion of the Offer.

WSA's participation in the Placement and commitment to partially sub-underwrite the Retail Entitlement Offer Shortfall are subject to satisfaction or waiver of the respective conditions precedent which are standard for an agreement of this nature.

Following completion of the Entitlement Offer, there are a number of rights and obligations imposed on WSA and the Company under the WSA Subscription Agreement, namely:

- WSA will have the right, but not the obligation, to nominate a suitably qualified person to the Company's Board as a non-executive Director to replace a current Director of the Company's Board subject to:
 - the Company being satisfied with the nominated person, acting reasonably; and
 - the Company's receipt of that persons consent to act as a non-executive Director.

As at the date of this Prospectus, it is not known who that resigning Director would be if WSA were to exercise its right to appoint a nominee to the Board;

- where WSA's interest in the Company falls to less than 10%, WSA must immediately procure that the nominee director resigns;
- the Board must not, and must not seek Shareholder approval to, increase the number of Directors on the Board without WSA's prior written consent (such consent to not be unreasonably withheld), until the earlier of WSA's voting power dropping below 10% and the date of the commission of the Savannah Project's processing plant as part of the Company's operational restart;
- where WSA's interest in the Company remains at 10% or more, the Company must:
 - notify WSA, on a confidential basis, of any material capital raisings it proposes to undertake;
 - consult with WSA prior to making an announcement on the material capital raising;
 - subject at all times to the Listing Rules and any policy or guidance published or notified by the ASX from time to time, use all reasonable endeavours to procure that WSA will be offered, and will have the reasonable opportunity to be issued, the number of Shares necessary such that WSA's interest on completion of the material capital raising will materially reflect its interest immediately before the material capital raising. The Company is not required to comply with this obligation where it would involve the Board breaching its fiduciary or statutory duties; and
 - not publicly announce, intend to undertake, or undertake a material capital raising until 6 months after completion of the Retail Entitlement Offer, without WSA's prior written consent. Again, the Company is not required to comply with this obligation where it would involve the Board breaching its fiduciary or statutory duties.

For the purpose of the WSA Subscription Agreement, a material capital raising is an issue, or agreement to issue securities of the Company that is equivalent to 10% or more of the Company's total issued Shares following completion of the Retail Entitlement Offer.

The Company and WSA must work together to discuss the potential formation of a technical committee, consisting of two representatives from each party to provide technical assistance via recommendations to the Board in relation to items such as mine development and operational / technical decisions. The committee will end on the date of commission of the Savannah Project's processing plant upon operational restart.

The Company and WSA each give warranties which are standard for an agreement of this nature.

The Company or WSA may terminate the Subscription Agreement where:

- a party commits a material breach of the Subscription Agreement without remedy; or
- the Company is prevented from issuing the Placement Shares due to an order of a court or government agency.

WSA may also terminate the Subscription Agreement where:

- ASIC or the Takeovers Panel issues orders preventing the Placement;
- the Company's warranties cease to be true and accurate in any material respect, or not misleading, in any material respect and following consultation with the Company, WSA considers that:
 - there is, or could reasonably be expected to be, a material adverse effect on the price at which the Placement Shares will trade on ASX; or
 - there is, or could be, a contravention by WSA of the Corporations Act or other applicable law were it to complete the Placement;
- where the Company is to be removed from the Official List; or
- any Shares are delisted from quotation by ASX.

The Company may also terminate the Subscription Agreement where the WSA's warranties cease to be true and accurate, or not misleading.

Agreements with creditors

The Company owes amounts to creditors in connection with its operations at the Savannah Nickel Mine prior to suspension, as well as amounts incurred as a result of the suspension and ongoing liabilities it will continue to accrue during the suspension. As the Company no longer has any significant operating income with which to pay those creditors, it has been negotiating the repayment of certain amounts owing. The Company engaged a consultant to assist with its negotiations with material creditors. One outcome of these negotiations is that the Company and its relevant subsidiaries have now agreed or entered into agreements with the material creditors in relation to the repayment of amounts owing to them and the ongoing status of their underlying contractual arrangements (**Forbearance Agreements**). A materiality threshold was used in identifying material creditors, so there may be a number of contracts with minor creditors in respect of which the Company is in breach, which have not been resolved by entering into Forbearance Agreements. Details of the arrangements with the largest creditor is set out below, as well as a description of the arrangements that have been made with other smaller material creditors.

Barminco

As announced on 21 February 2020, the Company's wholly owned subsidiary Savannah and underground hard rock mining services provider Barminco entered into a long-term underground mining services contract for the Savannah Nickel Mine (**Barminco Contract**). Key terms of the Barminco Contract are as follows:

- Barminco is to provide comprehensive underground mining services at the Savannah Nickel Mine (including mine development, production and haulage);
- the Barminco Contract has an initial term of three years, with the ability to extend for a further three year period by agreement between the parties;
- the amount payable by Savannah to Barminco over the initial three year term is up to approximately \$210 million, subject to the amount of work performed;
- Savannah has the right to suspend the whole or any part of the mining services provided by Barminco, in which case Savannah is obliged to pay Barminco a standby rate of up to \$4 million per month (depending on the circumstances) for the period the mining services are suspended; and
- Savannah may terminate the Barminco Contract at its convenience at any time by giving Barminco 60 days' notice in which case the Company must pay Barminco a specified amount for early termination (up to a maximum of \$9.5 million) and either party may terminate if certain termination events occur, which events are standard for agreements of this nature.

Subsequently, Savannah, Panoramic and Barminco entered into a Forbearance Agreement in respect of the Barminco Contract (**Barminco Forbearance**). Under the Barminco Forbearance Barminco agrees that, subject to Macquarie agreeing to standstill or forbear on enforcement against the Company, Savannah or their related bodies corporate under the Savannah Facility Agreement, until the date on which Savannah notifies Barminco in writing that the suspension of operations at the Savannah Project have ended (**Standstill Period**) Barminco will not make any demand for the amounts owing to it under the Barminco Contract (**Barminco Outstanding Amount**) or take any enforcement action in relation to the Barminco Outstanding Amount.

The parties also agree that by no later than 31 July 2020, Savannah must pay Barminco \$10 million in full and final settlement of the Barminco Outstanding Amount (**Barminco Settlement Sum**). Panoramic may elect at its discretion to issue \$500,000 worth of Shares to Barminco to satisfy part of Barminco Settlement Sum if the capital raising which is now the subject of this Offer raises less than \$90 million.

The Barminco Forbearance terminates on the earlier to occur of the following:

- Savannah is in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration or wound up or has had a receiver or a receiver and manager appointed to any part of its property;
- Panoramic or a related body corporate of Panoramic is in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration or wound up or has had a receiver or a receiver and manager appointed to any part of its property;
- any financier (including Macquarie) or other party (including Zeta) takes any acceleration or enforcement action in respect of Savannah, Panoramic or a related body corporate of Panoramic;

- any component of the capital raising the subject of this Offer following its launch ceases or is not proceeded with in a material respect;
- any direct or indirect disposal of the property, business or undertaking of Panoramic or Savannah or part thereof to any other party likely to have a material effect on the performance of this document;
- the capital raising the subject of this Offer does not launch before 5.00pm WST on 31 May 2020 or complete by 5.00pm WST on 31 July 2020; or
- receipt of the Barmenco Settlement Sum by Barmenco.

If Panoramic fails to pay the Barmenco Settlement Sum, the Barmenco Outstanding Amount will become immediately due and payable, without any set-off or deduction.

Other creditors

In relation to the other material creditors generally (not including Barmenco), the Forbearance Agreements set out the terms and conditions of the arrangement between Panoramic, Savannah and the relevant creditor whereby the creditor agrees (amongst other things):

- that the amount outstanding under the relevant underlying contract up to the time of the restart of mining operations at the Savannah Nickel Mine (**Restart**) will be fixed and reduced to a compromised amount which will be due and payable by 31 July 2020;
- payment of that compromised amount will be accepted by the creditor in full and final payment of all amounts outstanding under the contract up until Restart; and
- to forbear from taking any action or exercising any right or remedy (whether contractual or at law) against the Company or Savannah in relation to the underlying contract in respect of the period up until Restart.

The Forbearance Agreements terminate on the earlier of:

- the compromised amount not being repaid by 31 July 2020;
- the appointment of a receiver, receiver and manager, administrator or liquidator to Panoramic or Savannah or a related body corporate, or any of them becoming unable to pay their debts as and when they fall due for payment;
- Macquarie or Zeta taking acceleration or enforcement action against the Company or Savannah in respect of the finance facilities they have advanced;
- the Offer not launching before 31 May 2020 or not being successfully completed by 30 August 2020 (though there are two Forbearance Agreements other than the Barmenco Forbearance which require the Offer to be successfully completed by 31 July 2020); or
- the compromised amount being paid in full and, in the circumstances of this paragraph only, the creditor will have no further claims against Panoramic or Savannah.

Across the material creditors (including Barmenco), the Company has been able to negotiate an aggregate debt reduction of approximately \$4.4 million.

The terms of the Forbearance Agreement entered into between the Company, Savannah and Contract Power Pty Ltd provides for the continued supply of power to the Savannah Nickel Mine by Contract Power Pty Ltd during the period of suspension.

Macquarie loan

As announced on 31 March 2020, the Company borrowed \$10 million from Macquarie to close out its hedge book, which increased the Company's project financing facility with Macquarie (**Savannah Facility Agreement** or **SFA**) to \$30 million. The key terms of the Savannah Facility Agreement have been disclosed to the market on numerous occasions (see for example, the Company's announcements dated 16 July 2018 and 31 March 2020). Over the past months, the Company has obtained several consents and waivers from Macquarie in respect of certain covenants under the SFA and there have been amendments to the terms of the SFA (see, for example, announcements dated 22 May 2020, 3 April 2020, 28 February 2020 and 18 December 2019).

As announced on the date of this Prospectus, Macquarie, the Company, Savannah and Pan Transport (together, the **Obligors**) have entered in to a standstill deed (**Macquarie Standstill**) to assist the Company to conduct the Offer. Under the Macquarie Standstill, Macquarie agrees that it will not take any acceleration or enforcement action against the Company in respect of the SFA unless one or more of the following circumstances exist:

- (a) an insolvency event occurs in relation to the Company, Savannah or Pan Transport;
- (b) Macquarie has given the Company a notice of termination following one of the following events;
 - (i) the Underwriting Agreement has not been executed and provided to Macquarie by 31 May 2020 or it is terminated, or performance under it suspended, before completion of the Offer;
 - (ii) any provision of the Underwriting Agreement is amended, varied or waived in a way that would materially or adversely affect Macquarie's rights or interests under the Macquarie Standstill and SFA;
 - (iii) any breach of the Underwriting Agreement, or any other event that may entitle the Joint Lead Managers to terminate or suspend the Underwriting Agreement, occurs, unless unconditionally waived by the Joint Lead Managers;
 - (iv) the Obligors fail to repay or prepay the SFA in full within 2 business days of the Company issuing the final New Share under the Offer and in any event by no later than 31 July 2020;
 - (v) the Company fails to raise at least \$70 million under the Offer (after costs, expenses and fees);
 - (vi) before the SFA is repaid in full, the Obligors pay or apply proceeds received under the Offer (after costs) other than to Macquarie to repay or prepay the SFA;
 - (vii) an Obligor fails to comply with its obligations under the Macquarie Standstill or otherwise defaults in the observance of any term of the Macquarie Standstill;

- (viii) an Obligor fails to perform an act required by the Macquarie Standstill or if any representation or if any representation made or deemed to be made by an Obligor under or in connection with the Macquarie Standstill and the transaction contemplated by it is, or proves to have been, incorrect or misleading in any material respect when made or deemed to be made;
 - (ix) it becomes unlawful for an Obligor to perform any of its obligations under a finance document, the Macquarie Standstill, the Underwriting Agreement or the mandate between the Joint Lead Managers and the Company or the transactions contemplated by these documents;
 - (x) an Obligor repudiates a finance document, the Underwriting Agreement or the mandate or evidences in writing an intention to do so;
 - (xi) a material provision of a finance document, the Macquarie Standstill, the Underwriting Agreement or the mandate is, or becomes, or is claimed by an Obligor, to be wholly or partly invalid, void, voidable or unenforceable;
 - (xii) all or a material part of the project, project assets or project facilities is compulsorily acquired by any governmental agency without adequate compensation being paid to the relevant Obligor;
 - (xiii) an insolvency event occurs in relation to any Obligor;
 - (xiv) any amount becomes due and owing by an Obligor to Macquarie during the term of the Macquarie Standstill and is not paid by the due date; or
 - (xv) compliance with the Macquarie Standstill would constitute a breach of any law or regulations; or
 - (xvi) in Macquarie's reasonable opinion any of the secured property is in jeopardy or if compliant with the Macquarie Standstill would likely have an adverse effect on:
 - (A) the validity or enforceability of any finance document; or
 - (B) the priority and ranking of any encumbrance granted by any Obligor in favour of Macquarie under or in connection with any finance document; or
- (c) 31 July 2020.

If one of those circumstances exist, the Macquarie Standstill will terminate and Macquarie may take acceleration or enforcement action against the Company.

As announced by Zeta and the Company on 18 May 2020, Macquarie has entered into a Put and Call Option Deed with Zeta in respect of the SFA. The key terms of the Put and Call Option Deed are set out in Zeta's announcement of 18 May 2020.

The put and call options granted by Zeta and Macquarie under the Put and Call Option Deed are not exercisable prior to 3 July 2020 unless either agreed to by Panoramic, or if the capital raising contemplated by the Offer does not raise a sufficient amount or Zeta or Macquarie determine that it will not occur.

Further, under the Put and Call Option Deed, Macquarie agrees that it will not take acceleration or enforcement action against the Company without Zeta's consent.

Macquarie also agrees that it will take acceleration or enforcement action against the Company if directed to do so by Zeta.

Separately, Macquarie has agreed with Panoramic and Savannah to waive certain restrictions under the SFA to enable Panoramic to make the \$7.5 million repayment that was announced on 22 May 2020.

Agreements with Zeta

As announced on 3 April 2020, the Company and Zeta entered into a loan agreement under which Zeta agreed to provide an unsecured loan of \$8 million to the Company for activities at the Savannah Project and for working capital purposes (**Zeta Loan Facility**). The key terms of the Zeta Loan Facility are set out in the Company's announcement dated 3 April 2020.

Zeta and the Company have entered into a waiver deed (**Zeta Waiver**) under which Zeta has given several waivers in relation to certain covenants under the Zeta Loan Facility that relate to the Company entering into the Forbearance Agreements and the Company's Shares being suspended for a period of time.² The waiver will cease to apply if:

- (a) the amounts compromised with the Company's creditors are not repaid by their due date or a receiver, receiver and manager, administrator or liquidator is appointed to Panoramic or Savannah or a related body corporate, or either of Panoramic or Savannah becoming unable to pay their debts as and when they fall due for payment;
- (b) Macquarie or Zeta take an acceleration or enforcement action against the Company or Savannah in respect of the financial facilities they have provided to the Company;
- (c) the Offer does not launch on or before 31 May 2020 or is not successfully completed by 30 August 2020; or
- (d) the amounts compromised with the Company's creditors are paid in full (or deemed as paid via set off), in which case the creditor will have no further claims against the Company or Savannah.

Under the Zeta Waiver, Zeta has also given the Company an undertaking that during the term of the Put and Call Option Deed it will not:

- (a) consent to Macquarie assigning its debt under the SFA; or
- (b) give Macquarie a direction to take acceleration or enforcement action against the Company in respect of the SFA.

This undertaking will cease to apply if an insolvency event occurs in respect of the Company, Savannah or Pan Transport or if, at any time after 31 May 2020, the Offer is not, or ceases to be, underwritten for an amount of at least \$70 million.

Under the Zeta Loan Facility, the Company agrees to issue options to Zeta or its nominee (**Zeta Options**), subject to the Company obtaining Shareholder approval and Zeta or its nominee (as applicable) obtaining FIRB approval, as follows:

- (a) if the Horizon Share Sale is approved by Shareholders: 28,520,525 Zeta Options;
or
- (b) if the Horizon Share Sale is not approved by Shareholders (such that the Horizon shares are retained by Panoramic): 50,000,000 Zeta Options.

The Zeta Options (if issued) will expire 3 years from date of issue and will have a strike price of \$0.16 per Share.

The Company is seeking Shareholder approval for the issue of the Zeta Options at a general meeting to be held on 29 June 2020 (see notice of meeting announced 21 May 2020). If Shareholder approval for the issue of the Zeta Options is not obtained, the Zeta Options will not be issued and the Company will be required to make one of the following “make-whole” payments to Zeta, depending on the date on which the Zeta Loan Facility is repaid in full:

| | If the Horizon Share Sale is approved | If the Horizon Share Sale is not approved |
|---|---------------------------------------|---|
| If the Zeta Loan Facility is repaid in full on or before 30 June 2020. | \$456,328 | \$800,000 |
| If the Zeta Loan Facility is repaid in full between 1 July 2020 and 30 June 2021. | \$912,656 | \$1,600,000 |
| If the Zeta Loan Facility is repaid in full between 1 July 2020 and 30 June 2022. | \$1,368,984 | \$2,400,000 |

As announced on 30 March 2020, the Company has agreed to sell its remaining shareholding in Horizon Gold Limited (ASX:HRN) to certain sophisticated and professional investors, including Zeta (**Horizon Share Sale**). Completion of the Horizon Share Sale to Zeta is subject to Panoramic Shareholders’ approval, which will be sought at the general meeting to be held on 29 June 2020 (see notice of meeting announced on 21 May 2020).

The Company understands that Zeta will set off approximately \$4.5 million of the subscription monies payable in respect of the New Shares it takes up under its Entitlement in the Entitlement Offer against the amount outstanding under the Zeta Loan Facility, with any additional subscription monies to be paid in cash. The Company intends to repay the remaining amounts outstanding under the Zeta Loan Facility with the proceeds of the Offer, in which case there will be no further amounts outstanding under the Zeta Loan Facility (other than any “make whole” payment described above if Shareholders do not approve the issue of the Zeta Options).

If the Zeta Loan Facility is repaid in full before the general meeting on 29 June 2020 and Shareholders approve the Horizon Share Sale, Zeta will be required to pay the Company approximately \$3.46 million as consideration for the transfer of the Horizon shares.

If the Zeta Loan Facility is not repaid in full following completion of the Offer and Shareholder approval is obtained for the Horizon Share Sale, the price payable by Zeta in respect of the Horizon shares to be transferred under the Horizon Share Sale (approximately \$3.46 million) will be set off against the amount outstanding under the Zeta Loan Facility at the time.

If the Zeta Loan Facility is not repaid in full following completion of the Offer and Shareholder approval is not obtained for the Horizon Share Sale, the relevant shares in Horizon will not be transferred to Zeta and the amount outstanding under the Zeta Loan Facility will not be reduced by the price payable under the Horizon Share Sale, which may require the Company to repay Zeta more than it has budgeted for in respect of the Zeta Loan Facility. Please see the key risks associated with these transactions in section 8 of this Prospectus.

Thunder Bay sale

The Company's agreement with Rio Tinto Exploration Canada Inc. (**RTEC**) in relation to its Thunder Bay North Project (**TBN**), located in Canada under which RTEC had the right to earn a 70% interest in TBN by spending C\$20 million over five years from January 2015, has terminated (see the Company's ASX announcement dated 31 October 2019).

On 6 January 2020, the Company's wholly owned subsidiary Magma Metals Pty Ltd (**Magma**) entered into a binding share purchase agreement (**Thunder SPA**) with Clean Air Metals Inc (formerly known as Regency Gold Corp) (**Clean Air**) under which Magma agrees to sell all of its shares in Pan PGMs Canada Limited (**PAN PGMs**). See the Company's announcement dated 6 January 2020 for further details regarding the key terms of the Thunder SPA.

As announced on 15 May 2020, completion of the transaction has occurred and Panoramic has received the first C\$2,000,000 of the consideration that was payable at completion, with a further C\$2,250,000 of the consideration held in trust by Panoramic's Canadian lawyers pending receipt of a tax clearance certificate. Clean Air has granted first ranking charges over the shares in PAN PGMs to the Company in order to secure the deferred payments.

See section 8 of this Prospectus for information regarding the ongoing risks associated with the Thunder SPA.

8 Risk Factors

8.1 Introduction

This section identifies the areas that the Directors regard as the major risks associated with an investment in the Company. Investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Intending investors should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for New Shares under the Offer.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's business. These risk factors are largely beyond the control of the Company and its Directors because of the nature of the business of the

Company. The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of.

8.2 Risks specific to the Offer

Underwriting and sub-underwriting risk

The Company has entered into the Underwriting Agreement with the Joint Lead Managers who have agreed to fully underwrite the Offer, subject to certain terms and conditions. If certain conditions are not satisfied or certain events occur, the Joint Lead Managers may terminate the Underwriting Agreement. Given the structure of the Offer, in which the Placement and Institutional Entitlement Offer settle before the Retail Entitlement Offer, there is a risk that the Underwriting Agreement may terminate before or after the Placement and the Institutional Entitlement Offer have settled.

If the Underwriting Agreement is terminated and the Offer does not proceed or does not raise the funds required for the Company to meet its stated objectives, the Company would be required to urgently find alternative financing. In those circumstances, there is no guarantee that alternative funding could be sourced in the time required or at all, in which case the Company would be in a critical condition from a solvency perspective. As such, it is clear that termination of the Underwriting Agreement could materially adversely affect the Company's business, cash flow and financial position.

If the Underwriting Agreement is terminated and the Offer does not proceed, the Company would also need to renegotiate the terms of its secured and unsecured debt, as well as the amounts owing to its other creditors. There is no guarantee the Company would be able to successfully renegotiate the terms of those arrangements in those circumstances. There is also the risk that Macquarie and/or Zeta may seek to assign their debt to a third party or seek to take enforcement action against the Company, which is heightened in these circumstances.

WSA's obligations to subscribe for Placement Shares and to partially sub-underwrite the Retail Entitlement Offer Shortfall are subject to a number of conditions precedent, including that the Underwriting Agreement has not been terminated. There is a risk that the WSA Subscription Agreement will terminate if the conditions precedent are not satisfied, which include where the Underwriting Agreement is terminated.

Potential for dilution and control risk

Upon completion of the Offer, the number of Shares in the Company will increase from 763,130,367 to approximately 2,050,912,863. This equates to approximately 62.79% of all the issued Shares in the Company immediately following completion of the Offer. This means that to the extent Shareholders do not participate in the Offer their holdings are likely to be diluted by approximately 62.79% following completion of the Offer.

As detailed in section 6.12 of this Prospectus, the Offer may have an effect on the control of the Company. There is also a risk that ASIC or another party could bring an action to the Australian Takeovers Panel (**Panel**) claiming that the Offer gives rise to unacceptable circumstances. If an action is brought in the Panel it may delay some or all of the Offer (see above) and if it is successful, there are a broad range of orders that the Panel can make, including requiring the Company to amend the terms of the Offer or withdraw the Offer.

It should also be noted that the last trading price of Shares on ASX prior to the Prospectus being lodged is not a reliable indicator as to the potential trading price of Shares following completion of the Offer.

ASX quotation

If ASX does not grant Official Quotation of the New Shares offered under the Offer within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not allot the New Shares under the Offer and will repay all Application Monies for the New Shares within the time period prescribed under the Corporations Act, without interest.

A decision by ASX to grant Official Quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the New Shares now offered for subscription.

There is no guarantee that ASX will allow trading of Shares before the Retail Entitlement Offer closes.

Entitlement Offer delays

Most of the Forbearance Agreements (other than the Barmingo Forbearance) will terminate if the Offer is not completed by 30 August 2020 (or 31 July 2020 in respect of two Forbearance Agreements) (see section 7.2).³ As such, if the Entitlement Offer is extended for any reason and will not be completed by 30 August 2020 (or 31 July 2020 in respect of two Forbearance Agreements), the Company will need to renegotiate the terms of the Forbearance Agreements. In those circumstances, there is no guarantee the Company will be able to successfully renegotiate the terms of the Forbearance Agreements, in which case the amounts owing to the Company's creditors who had signed Forbearance Agreements will become immediately due and payable and any debt reductions that had been agreed as part of the Forbearance Agreements will cease to apply.

The Barmingo Forbearance will terminate if the Offer is not completed by 31 July 2020. As such, if the Entitlement Offer is extended for any reason and will not be completed by 31 July 2020, the Company will need to renegotiate the terms of the Barmingo Forbearance. In those circumstances, there is no guarantee the Company will be able to successfully renegotiate the terms of the Barmingo Forbearance, in which case the debt reduction that had been agreed with Barmingo under the Barmingo Forbearance will cease to apply and Barmingo may make a claim against the Company for the amounts owing to it, the quantum of which cannot be determined at present.

Control transaction proposals

In November 2019 IGO Limited launched a conditional takeover bid in respect of the Company. Panoramic has been the subject of several non-binding, indicative proposals over the past 12 months. While IGO Limited's bid was subsequently withdrawn, there remains the possibility that IGO Limited or another entity could launch a control transaction for the Company in the future, including during the Offer Period. If a control transaction proposal was received during the Offer Period, the Company may be required to extend the Entitlement Offer, which could have adverse consequences in respect of the Forbearance Agreements (see Entitlement Offer delays risk above) or on the successful completion of the Offer.

8.3 Risks specific to the Company

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There are a number of

factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance and position of the Company and the outcome of an investment in the Company. Some of these risks can be adequately mitigated by the use of safeguards and appropriate systems but many are beyond the control of the Company and its Directors and cannot be mitigated. Prior to deciding whether to apply for New Shares, Eligible Shareholders should read this entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au, ASX: PAN) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

Shareholders should also consider the summary risk factors set out here which the Directors believe represent some of the general and specific risks that persons should be aware of when evaluating the Company and deciding whether to obtain or increase a shareholding in the Company. The risk factors set out below are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

Cash position

Panoramic's unaudited cash position as at 31 March 2020 was \$7.6 million, with \$6.5 million in additional available liquidity from shipment 168 which departed 3 April 2020 and a further \$8.0 million of liquidity from the Zeta facility (see announcement dated 29 April 2020). However, as a result of the impact of COVID-19 (see announcement dated 15 April 2020), the Company is required to raise further funds through the Offer to maintain an appropriate working capital position. As the Offer is underwritten, provided the Underwriting Agreement is not terminated, the Offer will provide Panoramic with additional funds of up to approximately \$90 million (before costs). Given Panoramic is an exploration and mineral project development company, it may need to raise substantial additional funds in the future to continue progressing and developing the Savannah Project and other projects. There is also the possibility that significant costs will be involved in the restart of the Savannah Nickel Mine. There is a risk that Panoramic will be unable to raise such funds when needed or on reasonable terms. Unless Panoramic is able to continue to raise funds as required, that failure could delay or suspend the Company's business activities and could have a material adverse effect on the solvency of the Company.

COVID-19 risk

The combination of the significant operational uncertainty, including the constraints beyond Panoramic's control, imposed as a result of the COVID-19 pandemic and the consequential disruption and cost, plus managing the ramp up of Savannah North (including managing issues which have previously been outlined by the Company), resulted in the Panoramic Board taking the decision to suspend operations at the Savannah Nickel Mine as announced on 15 April 2020.

The Company has implemented measures across its business with the intent of minimising the risk of infection for individuals and the impact of COVID-19 on the Company's business.

However, further supply chain disruptions resulting from the transmission of COVID-19 in the community and measures implemented by governments around the world to limit the transmission of the virus may further adversely impact the Company's operations, financial position, prospects and ability to raise capital.

Nickel, copper, cobalt prices

A key factor for the Company is the price of nickel, copper and cobalt. Nickel, copper and cobalt prices fluctuate due to a variety of factors including supply and demand

fundamentals, international economic and political trends, expectations of inflation, currency exchange rate fluctuations, interest rates, global or regional consumption patterns and speculative activities. There can be no assurance that nickel, copper and cobalt prices will always be at levels such that the Company's deposits can be mined profitably in the future.

Suspension of operations

The Company has made the decision to temporarily suspend operations at its Savannah Nickel Mine. There is a risk that care and maintenance expenses could be more than estimated by the Company, or the period of suspension may be prolonged, which may have an adverse effect on the financial position of the Company. Further, the majority of the Company's contracts relating to the Savannah Project have been suspended until the restart of the Savannah Nickel Mine. In the event the Company seeks to recommission its mining and processing operations, there is a risk that the associated recommissioning and ramp up may take longer than planned and that costs may be higher than anticipated. There is also a risk that the Company may have issues with its contractors if they are requested to undertake work involved in the restart of the Savannah Nickel Mine on the same terms as their existing contracts, most of which have been suspended under the terms of the Forbearance Agreements while operations are suspended.

Further, if the suspension continues for an extended period, there is a risk that the Company will be required to raise more capital to fund care and maintenance activities. There is also a risk that the suspension of the Company's operations may adversely impact the carrying value of consumables inventories held at the Savannah Nickel Mine.

Life of mine plan

The Company is currently undertaking a review and revision of its life of mine plan. The revised life of mine plan is expected to be released in July 2020. There is a risk that the revised life of mine plan could be different to the previous life of mine plan, which may affect the Company's future plans and ultimately its financial performance and value.

The outcome of the review of the life of mine plan and changes in market conditions could impact the recoverable amount of the Savannah Nickel Mine. The Group's assets will be tested for impairment at the next financial reporting date of the Group, being 30 June 2020. To the extent that the carrying value of the Group's non current assets exceeds their estimated recoverable amount at the next reporting date, the assets will be impaired and an expense recognised in profit or loss.

Mineral Resource and Ore Reserve estimates

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available. As discussed above, the Company is currently reviewing and revising its life of mine plan, which it expects to conclude in July 2020. The Company is also undertaking a review of its Ore Reserves, with the outcome of that review expected to be finalised in July 2020. There is a risk that the new estimates of the Company's Ore Reserves may be different to the Company's previously announced Ore Reserves.

Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to Mineral Resource and Ore Reserve estimates could affect the Company's future plans and ultimately its financial performance and value.

Going concern

The Group had a historical net current liability position of \$28,869,000 as at 31 December 2019 and cash outflows from operating and investing activities of \$15,639,000 for the half-year ended 31 December 2019. Further, as a result of the COVID-19 pandemic, on 15 April 2020, the Group announced suspension of operations at the Savannah Project (refer to section 6.7(c)(i) for more details). The Directors believe that the current cash resources, will not be sufficient to execute the Group's principal activities planned and working capital requirements without raising additional capital. The Directors determined that these factors create a material uncertainty that could cast significant doubt on Panoramic's ability to continue as a going concern, as described in Section 6.6.

Notwithstanding this, the Directors believe that upon the successful completion of the Offer, as well as the other transactions discussed in section 6.7 and their ability to optimise cost measures, the Group will have sufficient funds to continue as a going concern.

In the event that the Group is unable to obtain sufficient funding for ongoing operating and capital requirements, there is material uncertainty whether it will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the Prospectus.

Development activities and future operational issues

As noted above, the significant operational uncertainty created by the COVID-19 pandemic contributed to the Panoramic Board taking the decision to suspend operations at the Savannah Nickel Mine as announced on 15 April 2020.

Essential services, safety and environmental monitoring continue while the underground operations and processing of ore have ceased. In relation to the suspension of operations generally, Panoramic is working with its employees and contractors to ensure it occurs consistent with relevant contractual entitlements and in a way that is the least disruptive in the circumstances.

Panoramic intends to undertake a number of development activities while operations are suspended, which are intended to de-risk and improve the economics of the Savannah Nickel Mine in a restart scenario. The proposed development activities include:

- completion of the new ventilation raise bore and associated works (Fresh Air Raise 3), which is part of the critical ventilation infrastructure required for the Savannah North mine development;
- development of the Savannah North decline and incline to allow for multiple mining locations; and
- critical paste reticulation works required to allow for the rehabilitation of mined areas in Savannah North in due course.

There is a risk that these development activities may take longer, or be more costly than expected, or not proceed at all. There is also a risk that the development activities might not have the desired outcome. These risks could affect the cost and viability of a restart of the Savannah Nickel Mine and ultimately the Company's financial performance and value.

Once the COVID-19 related limitations on the Company's business are alleviated and the global economic outlook improves, the Company intends to resume mining and processing ore at its Savannah Nickel Mine operations. The Savannah Nickel Mine

operations have experienced a number of operational issues and Panoramic intends to continue to implement improvement strategies including as a consequence of the recently completed operations review. These strategies include continuing the Company's recently adopted contract mining model.

Even if these strategies are successful, the nature of mining is such that there remains a risk that, if operations are restarted at the Savannah Nickel Mine, mine production may continue to be below budget and the ramp up of production from Savannah North may take longer than planned, that production may be less than planned, that costs may be higher than anticipated, that the grade recovered from mining may be lower than expected or that revenue may be lower than expected.

Savannah Facility Agreement with Macquarie Bank and Put and Call Option Deed

Macquarie has advanced \$30 million to the Company under the Savannah Facility Agreement (see section 7.2 for more information). Macquarie, the Company, Savannah and Pan Transport have also entered into the Macquarie Standstill, under which Macquarie agrees that it will not take any acceleration or enforcement action against the Company in respect of the SFA unless certain prescribed circumstances exist (see section 7.2 for a description of these circumstances).

As announced by Zeta and the Company on 18 May 2020, Macquarie has entered into a Put and Call Option Deed with Zeta in respect of the SFA. The key terms of the Put and Call Option Deed are set out in Zeta's announcement of 18 May 2020.

The put and call options granted by Zeta and Macquarie under the Put and Call Option Deed are not exercisable prior to 3 July 2020 unless either agreed to by Panoramic, or if the capital raising contemplated by the Offer does not raise a sufficient amount or Zeta or Macquarie determine that it will not occur.

Further, under the Put and Call Option Deed, Macquarie agrees that it will not take acceleration or enforcement action against the Company without Zeta's consent. Macquarie also agrees that it will take acceleration or enforcement action against the Company if directed to do so by Zeta.

Separately, Zeta and the Company have entered into the Zeta Waiver, under which Zeta has given the Company an undertaking that during the term of the Put and Call Option Deed it will not:

- (a) consent to Macquarie assigning its debt under the SFA; or
- (b) give Macquarie a direction to take acceleration or enforcement action against the Company in respect of the SFA.

This undertaking will cease to apply if an insolvency event occurs in respect of the Company, Savannah or Pan Transport or if, at any time after 31 May 2020, the Offer is not, or ceases to be, underwritten for an amount of at least \$70 million.

There is a risk that, if one or more of the Macquarie Standstill, the Zeta Waiver or the Put and Call Option Deed are terminated, Macquarie may assign the debt under the SFA to Zeta or a third party. There is a further risk that if one or more of those waivers or standstills is terminated, the holder of the debt the subject of the SFA may seek to take acceleration or enforcement action against the Company in respect of the SFA.

Zeta loan

Zeta and Panoramic are parties to the Zeta Loan Facility, pursuant to which, amongst other things, Zeta agrees to loan Panoramic \$8 million. Zeta and the Company have entered into the Zeta Waiver (see above), pursuant to which Zeta has given several waivers in respect of certain covenants under the Loan Agreement that relate to the Company entering into the Forbearance Agreements and the Company's Shares being suspended for a period of time. The waivers will cease to apply if the amounts compromised with the Company's creditors are not repaid by their due date, or a receiver, receiver and manager, administrator or liquidator is appointed to Panoramic or Savannah or a related body corporate, or any of Panoramic or Savannah becomes unable to pay their debts as and when they fall due for payment. If the waivers cease to apply, there is a risk that Zeta may seek to take enforcement action against the Company.

Under the Zeta Loan Facility, the Company also agrees to issue the Zeta Options described in section 7.2 of this Prospectus to Zeta, subject to the Company obtaining Shareholder approval and Zeta or its nominee (as applicable) obtaining FIRB approval (which has been obtained).

The Company is seeking Shareholder approval for the issue of the Zeta Options at a general meeting to be held on 29 June 2020 (see notice of meeting announced 21 May 2020). There is a risk that Shareholders will not approve the issue of the Zeta Options, in which case the Zeta Options will not be issued and the Company will be required to pay the "make-whole" payments described in section 7.2 of this Prospectus to Zeta depending on when the Zeta Loan Facility is repaid in full.

Creditors

The Company has amounts owing to creditors in connection with many of its operational contracts. As the Company no longer has any operating income with which to pay those creditors, it has been negotiating the repayment of certain amounts owing. The Company and/or its relevant subsidiaries have now entered into or agreed Forbearance Agreements with the material creditors in relation to the repayment of amounts owing to them and the ongoing status of their underlying contractual arrangements. However, there remain a number of contracts with minor creditors in respect of which the Company is in breach. The Company does not consider these contracts or the amounts owing under them to be material, however there remains a risk that these creditors may take action against the Company to attempt to recoup the amounts owed to them.

Most of the Forbearance Agreements (other than the Barmenco Forbearance) will terminate if the Offer is not completed by 30 August 2020. There are two Forbearance Agreements (other than the Barmenco Forbearance) which terminate if the Offer is not completed by 31 July 2020 (see section 7.2). As such, if the Entitlement Offer is extended for any reason and will not be completed by 30 August 2020 (or 31 July 2020 in respect of two Forbearance Agreements), the Company will need to renegotiate the terms of the Forbearance Agreements. In those circumstances, there is no guarantee the Company will be able to successfully renegotiate the terms of the Forbearance Agreements, in which case the amounts owing to the Company's creditors who had signed Forbearance Agreements will become immediately due and payable and any debt reductions that had been agreed as part of the Forbearance Agreements will cease to apply. In these circumstances, there is also a risk that some or all of the Company's creditors may make claims for amounts greater than the Company has budgeted for.

Barminco

Under the Barminco Forbearance Barminco agrees that during the Standstill Period it will not make any demand for the amounts owing to it under the Barminco Contract or take any enforcement action in relation to the Barminco Outstanding Amount.

The parties also agree that by no later than 31 July 2020, Savannah must pay Barminco \$10 million in full and final settlement of the Barminco Outstanding Amount. Panoramic may elect at its discretion to issue \$500,000 worth of Shares to Barminco to satisfy part of Barminco Settlement Sum if the capital raising which is now the subject of this Offer raises less than \$90 million.

The Barminco Forbearance terminates on the earlier to occur of the following:

- Savannah is in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration or wound up or has had a receiver or a receiver and manager appointed to any part of its property;
- Panoramic or a related body corporate of Panoramic is in receivership, in receivership and management, in liquidation, in provisional liquidation, under administration or wound up or has had a receiver or a receiver and manager appointed to any part of its property;
- any financier (including Macquarie) or other party (including Zeta) takes any acceleration or enforcement action in respect of Savannah, Panoramic or a related body corporate of Panoramic;
- any component of the capital raising the subject of this Offer following its launch ceases or is not proceeded with in a material respect;
- any direct or indirect disposal of the property, business or undertaking of Panoramic or Savannah or part thereof to any other party likely to have a material effect on the performance of this document;
- the capital raising the subject of this Offer does not launch before 5.00pm WST on 31 May 2020 or complete by 5.00pm WST on 31 July 2020; or
- receipt of the Barminco Settlement Sum by Barminco.

If Panoramic fails to pay the Barminco Settlement Sum, the Barminco Outstanding Amount will become immediately due and payable, without any set-off or deduction.

There is a risk that, if the capital raising the subject of this Offer is not completed by 31 July 2020 (or at all), or if Macquarie or Zeta take any acceleration or enforcement action in respect of Panoramic or Savannah, the Barminco Forbearance will terminate and Panoramic will lose the benefit of being able to pay the reduced Barminco Settlement Sum in satisfaction of the Barminco Outstanding Amount and Barminco may make a claim against the Company for the amounts owing to it, the quantum of which cannot be determined at present.

Restart

While the Company currently intends to restart the Savannah Nickel Mine in the future and proposes to undertake development activities which are intended to de-risk the restart, the ultimate decision to restart mining operations will be based on the prevailing nickel price and other circumstances which are relevant at the time. There is a risk that

the restart is delayed, involves greater costs than are budgeted for, or does not proceed at all.

Mining

If and when operations restart at the Savannah Nickel Mine, mining and development operations (and consequentially financial performance) can be hampered by force majeure circumstances, environmental considerations and unforeseen events. Any event that impacts on the production rates, is likely to reduce the quantity of ore mined and thereby reduce the amount of ore or concentrate available for sale. Events that could adversely impact on production rates include, but are not limited to:

- geotechnical and geological conditions;
- personnel and equipment availability, utilisation rates and failure;
- development rates at which relevant ore bodies are exposed; and
- scheduling constraints resulting from the interaction between various mining functions such as, drilling, blasting, bogging, loading & hauling and backfilling.

Processing

If and when operations restart at the Savannah Nickel Mine, the Company's future profitability will in part be governed by its ability to recover key minerals from ore and then concentrate those minerals into a saleable product. Processing risk at the Savannah Nickel Mine includes mechanical failure in critical parts of the mill and an inability to achieve the targeted recovery of minerals from ore. After restart, each of these events (were they to occur) could result in a reduced volume and/or off-specification concentrate being available for sale.

Infrastructure, roads and transport

The Company requires access to road and port infrastructure. Transport is required to move consumables and equipment to its operations and ore or concentrate from its operations to customers. If and when operations restart at the Savannah Nickel Mine, a prolonged event that restricts access to road and port infrastructure will delay the sale of product to the Company's customers with a consequential financial impact.

Capital costs

If and when operations restart at the Savannah Nickel Mine, the Company's capital requirements may exceed those forecast in the Company's budget and life of mine plans from time to time and in these circumstances there may be an adverse impact on the Company's operating or financial performance.

Operating costs

If and when operations restart at the Savannah Nickel Mine, increases in operating costs may impact the future profitability of the Company's operations. When operating a mine, the Company is exposed to movements in operating costs, including but not limited to:

- salaries;
- fuel (for mobile equipment and power generation);
- reagents and consumables; and

- external contractors and suppliers.

Tailings storage

Tailings are the waste generated by the processing of ore to concentrate. The Company has environmental obligations associated with its existing tailing storage facility at the Savannah Project. Given the expected life of mine at the Savannah Project, approval for additional tailings storage capacity will be required in the future after restart.

Contractors

The Company uses a range of external contractors and service providers to support its ongoing care and maintenance activities and future operations. If and when operations restart at the Savannah Nickel Mine, there is a risk that the Company may not be able to engage contractors or other service providers in a timely manner or on acceptable terms, and that financial failure or default by any of the contractors or service providers used by the Company in any of its activities may impact on operating and/or financial performance. There is also a risk that the contractors whose contracts are currently suspended by the operation of the Forbearance Agreements (see section 7.2) are not able to undertake the work they are obliged to do under their contracts if and when called to do so in connection with a restart of mining operations.

Services and utilities

The Company's operations require a consistent and reliable range of services including the supply of electricity and diesel fuel. At the Savannah Project, diesel fuel is used to generate electricity which is essential for ongoing care and maintenance activities.

Customers

The Company has an offtake agreement for Savannah Project concentrate until February 2023. There is a risk that after that date, the offtake contract may not be able to be renegotiated on favourable terms. If the customer reneged on its contractual obligations or otherwise failed to pay for concentrate delivered, or declined to receive further product, this would have a consequential effect on the Company's financial position. If necessary, in the short to medium term after the Savannah Nickel Mine has been restarted, the concentrate could potentially be sold into the spot market on uncertain terms and pricing. In the long term, a new customer for the concentrate would need to be secured with no guarantee that similar pricing or payment terms could be obtained from a new customer.

Thunder Bay North PGM Project

As announced on 6 January 2020, the Company's wholly owned subsidiary Magma entered into the Thunder SPA with Clean Air under which Magma agrees to sell all of shares in PAN PGMs. PAN PGMs is the 100% owner of the TBN. The purchase price is C\$9.0 million in cash payable as follows:

- (c) a deposit of C\$250,000 on signing the SPA;
- (d) C\$4,250,000 on completion of the sale (C\$2,250,000 will be held in trust by Panoramic's Canadian lawyers pending receipt of a Clearance Certificate as required under the *Income Tax Act* (Canada));
- (e) C\$1,500,000 on the first anniversary of completion of the sale;
- (f) C\$1,500,000 on the second anniversary of completion of the sale; and

- (g) C\$1,500,000 on the third anniversary of completion of the sale.

As announced on 15 May 2020, completion of the transaction has occurred and Panoramic has received the first C\$2,000,000 of the consideration that was payable at completion, with C\$2,250,000 currently held in trust by Panoramic's Canadian lawyers pending receipt of a tax clearance certificate. There is a risk that there may be delays in receiving the clearance certificate or other issues may arise that may delay Panoramic receiving the C\$2,250,000 which is currently held on trust. As is always the case with deferred consideration, there is also a risk that the Company will not receive the deferred consideration payments when due, or at all.

Horizon sale

As announced on 30 March 2020 the Company has agreed to sell its remaining shareholding in Horizon Gold Limited (ASX:HRN) to sophisticated and professional investors, including Zeta. Completion of the sale to Zeta is subject to Panoramic Shareholders' approval, which will be sought at a general meeting to be held on 29 June 2020 (see notice of meeting announced on 21 May 2020).

The Company understands that Zeta will set off approximately \$4.5 million of the subscription monies payable in respect of the New Shares it takes up under its Entitlement in the Retail Entitlement Offer against the amount outstanding under the Zeta Loan Facility. The Company intends to repay the remainder of the Zeta Loan Facility with part of the proceeds of the Offer, in which case the Zeta Loan Facility will be repaid in full and there will be no further amounts outstanding under the Zeta Loan Facility (other than any "make-whole" payment which may be required if Shareholders do not approve the issue of the Zeta Options).

If the Zeta Loan Facility is not repaid in full following completion of the Offer and Shareholder approval is obtained for the Horizon Share Sale, the price payable by Zeta in respect of the Horizon shares to be transferred under the Horizon Share Sale (approximately \$3.46 million) will be set off against the amount outstanding under the Zeta Loan Facility at the time. If Shareholder approval is not obtained for the Horizon Share Sale, the relevant shares in Horizon will not be transferred from the Company to Zeta and the amount outstanding under the Zeta Loan Facility will not be reduced by the price payable under the Horizon Share Sale, which may require the Company to repay Zeta more than it has budgeted for. Further, if the Company retains its minority shareholding in Horizon, it will continue to be subject to the listed investment risks described below in respect of that shareholding.

As the Zeta Loan Facility is expected to be repaid following completion of the Offer, Zeta will be required to pay the Company approximately \$3.46 million on completion of the Horizon Share Sale, subject to Shareholders approving the transaction. There is a risk that Shareholders will not approve the Horizon Share Sale and the transaction it will not proceed. If this occurs, the Company will not receive the consideration of approximately \$3.46 million, in which case the Company may not have sufficient funds to meet all of the planned uses set out in section 3.5 of this Prospectus. If the Horizon Share Sale does not proceed, the Company could sell its Horizon shares to one or more different purchasers (subject to applicable laws). In those circumstances, there is a risk that the Company would not be able to a price for the Horizon shares equivalent to the price payable by Zeta under the Horizon Share Sale.

Listed investment risks

Panoramic holds shares in a number of listed companies, including a shareholding in Horizon which it is currently in the process of disposing of. There are risks associated with any securities investment. Securities listed on the stock market, and in particular

securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities. The past performance of these listed companies is not necessarily an indication as to future performance of these companies as the trading price of shares can go up or down. There is also a risk that Panoramic's interest in these companies may fall as a result of certain corporate events including whether or not it participates in the capital raisings.

Tenements

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the Mining Act 1978 (WA) and the Company has an obligation to meet conditions that apply to the its tenements, including the payment of rent and prescribed annual expenditure commitments. The tenements held by the Company are subject to annual review and periodic renewal.

There are no guarantees that the tenements that are subject to renewal will be renewed or that any applications for exemption from minimum expenditure conditions will be granted, each of which would adversely affect the standing of a tenement. A number of the tenements may be subject to additional conditions, penalties, objections or forfeiture applications in the future. Alternatively, applications, transfers, conversions or renewals may be refused or may not be approved with favourable terms. Any of these events could have a materially adverse effect on the Company's prospects and the value of its assets.

Certain of the Company's non-core tenements are currently the subject of forfeiture proceedings in the Wardens Court. There is a risk that the forfeiture proceedings could result in the relevant tenements being forfeited, the Warden imposing a fine for failure to comply with the tenement conditions, or the Warden deciding to take no action. The Company considers that these tenements are non-core and does not consider that the risk of forfeiture or the imposition of a penalty would have a material adverse effect on the Company.

Tax review

The Company is currently subject to a payroll tax review by the Office of State Revenue. The Company does not expect the review to result in any material adverse findings, however there is a risk the Company will be required to pay further tax. It is also possible that the Company could receive a tax refund as a result of the review.

8.4 General Risks

Mineral exploration and mining may be hampered by circumstances beyond the control of the Company and are operations which by their nature are subject to a number of inherent risks. The Company's Savannah Project is subject to a range of general mineral exploration, technical and financial risks associated with establishing mineral resources, reserves and operating a mine and processing facility. These include the general risk factors set out below.

This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The Directors expect that the Company will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Company's future objectives.

Commodity prices and USD:AUD exchange rate

There can be no assurance that nickel, copper and cobalt prices will be such that the Company's Savannah Project can be mined to provide an acceptable return in the future. Nickel, copper and cobalt prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, USD:AUD exchange rate fluctuations, interest rates, global or regional consumption patterns and speculative activities.

The Company also holds interests in PGM assets, the commercial viability of which remain subject to market forces related to future PGM prices. There is a risk that adverse movements in the prices for PGMs could impact upon the future prospects of the Company's PGM assets.

Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact foreign currency exchange rates. These factors may have a positive or negative effect on the Company's project development and production plans and activities together with the ability to fund those plans and activities.

Future capital requirements

If the Company requires future capital, such additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. No assurances can be made that appropriate funding, if and when needed, will be available on terms favourable to the Company or at all.

Board restructure, the Managing Director and other key personnel

The Company's Managing Director and CEO, Mr Victor Rajasooriar, commenced employment with the Company on 11 November 2019. The Company also announced a restructure of its Board and Board sub-committees on 4 November 2019. The Company believes that it has appointed the best possible candidates to their respective positions. However, the Company's performance may be affected in the short term as these representatives familiarise with the responsibilities associated with their respective roles.

The Managing Director and a number of other key personnel are important to attaining the business goals of the Company. One or more of these other key employees could leave their employment, and this may adversely affect the ability of the Company to conduct its business and, accordingly, affect the financial performance of the Company and its Share price. Difficulties attracting and retaining such personnel may adversely affect the ability of the Company to conduct its business.

The Company is also exposed to a general resources industry risk of not being able to appoint operational personnel on reasonable terms if labour costs in the resources industry increase. In these circumstances the Company's operating and financial performance may be adversely affected.

Liquidity risk

The Company entered voluntary suspension on 15 April 2020. There can be no guarantee that there will be an active market for Shares or that the price of Shares will increase. There may be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may

result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Offer.

Economic factors

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and financial performance and financial position. The Company's future possible revenues and Share price can be affected by these factors, which are beyond the control of the Company.

Stock market conditions

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the issue price for the New Shares. General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Securities investment risk

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance. The past performance of the Company is not necessarily an indication as to future performance of the Company as the trading price of Shares can go up or down. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Exploration risks

The success of the Company also depends in part on successful exploration programs leading to the delineation of economically minable reserves and resources, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements.

Ability to exploit successful discoveries

It may not always be possible for the Company to exploit successful discoveries which may be made on tenements in which the Company has an interest. Such exploitation

would involve obtaining the necessary licences, clearances and/or approvals from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed with further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

Debtors' risk

There is a risk that the Company may be unable to recover amounts owed to it (or which may be owed to it in the future) by debtors, which may have an adverse effect on the financial performance of the Company.

Native Title risk

The *Native Title Act 1993* (Cth) (**NTA**) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. Native title may impact on the Company's operations and future plans. Native title is not generally extinguished by the grant of exploration and mining tenements, as they are not generally considered to be grants of exclusive possession. However, a valid exploration or mining tenement prevails over native title to the extent of any inconsistency for the duration of the title. If invalid because of native title, tenements granted prior to 1 January 1994 have been validated by the NTA.

Tenements granted between 1 January 1994 and 23 December 1996, if invalid because of native title, are also likely to have been validated subject to satisfying criteria established in the NTA. For tenements that may still be subject to native title to be validly granted (or renewed) after 23 December 1996 the "right to negotiate" regime established by the NTA must be followed resulting in an agreement with relevant native title parties or a determination by an independent tribunal as to whether the tenement can be granted from a native title perspective. Alternatively an Indigenous Land Use Agreement may be entered into between the Company and relevant native title parties. An expedited regime not requiring agreement or determination by an independent tribunal may apply to some exploration tenements subject to satisfying criteria established in the NTA. The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining and exploration operations.

Insurance risks

The Company will endeavour to maintain insurance within ranges of coverage in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of risks associated with minerals exploration and production is not always available and, where available, the costs can be prohibitive. There is a risk that insurance premiums may increase to a level where the Company considers it is unreasonable or not in its interests to maintain insurance cover or not to a level of coverage which is in accordance with industry practice. The Company will use reasonable endeavours to insure against the risks it considers appropriate for the Company's needs and circumstances. However, no assurance can be given that the Company will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage it arranges will be adequate and available to cover claims.

Competition

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

Litigation risk

The Company is subject to litigation risks. All industries, including the minerals exploration and production industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities.

Environmental risk

The operations and activities of the Company are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations on any of its tenements. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have a material adverse effect on the Company's business, financial condition and performance.

Weather and climate risk

The Company's current and future operations may be affected by restrictions on activities due to seasonal weather patterns, flooding and cyclonic activity.

Regulatory risks

The Company's operations are subject to various Federal, State and local laws, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety, mine rehabilitation following closure and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that the Company will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation.

To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Company may be curtailed or prohibited from continuing or proceeding with exploration and production.

Occupational health and safety

Given the nature of the Company's activities, it will face the risk of workplace injuries which may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions. Further, the production processes used in conducting any future mining activities of Panoramic can be dangerous. The Company has, and intends to maintain, a range of workplace practices, procedures and policies which will seek to provide a safe and healthy working environment for its employees, visitors and the community. Further, the Company has taken out and maintains what it considers to be an adequate level of workers compensation insurance.

Tax and royalties risk

Changes to income tax (including capital gains tax), GST, stamp duty or other revenue legislation, case law, rulings or determinations issued by the Commissioner of Taxation or other practices of tax authorities may change following the date of this offer document or adversely affect the Company's profitability, net assets and cash flow. In particular, both the level and basis of taxation may change.

Changes to either the royalty regime or the Mining Rehabilitation Fund scheme in Western Australia or any other place where the Company might produce minerals in the future may have a consequential effect on the Company's financial performance.

Closure and rehabilitation risk

At the completion of each of its mining operations, the Company is required to rehabilitate and otherwise close that operation in accordance with relevant laws and an approved plan. There is a risk that the cost of, or time taken to, rehabilitate or otherwise close any mining operation may be more expensive or take longer than originally planned with a consequential effect on the Company's financial performance.

War and terrorist attacks risk

War or terrorist attacks anywhere in the world could result in a decline in economic conditions worldwide or in a particular region. There could also be a consequential effect on the Company's financial performance.

Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company. The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares.

9 Additional Information

9.1 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its Shares.

The Board has adopted a policy on compliance with the Listing Rules which sets out the obligations of the Directors, officers and employees to ensure the Company satisfies the continuous disclosure obligations imposed by the Listing Rules and the Corporations Act. The policy provides information as to what a person should do when they become aware of information which could have a material effect on the Company's securities and the consequences of non-compliance.

9.2 Legal framework of this Prospectus

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure (**ED**) securities and the securities are in a class of securities that were quoted ED securities at all times in the three months before the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus". In general terms, a transaction specific prospectus is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the requirements of ASX as applicable to disclosing entities from time to time, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 3 months before the issue of this Prospectus.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

9.3 ASX waivers

On 31 March 2020, ASX announced the temporary capital raising relief (in the form of class waivers) which lifts the 15% limit on the number of Shares the Company can issue without obtaining the prior approval of its Shareholders pursuant to Listing Rule 7.1 to 25%. The class waiver also permits the Company to include in its calculation for the purposes of Listing Rule 7.1 the number of Shares that may be issued under the underwritten component of the Entitlement Offer (the **ASX Class Waiver**).

As required by the ASX Class Waiver, the Company has notified ASX in writing of its intention to rely on the ASX Class Waiver and has provided ASX of the details of the Offer. The ASX Class Waiver allows the Company to issue up to a total of 410,182,573 New Shares under the Placement.

9.4 Information available to Shareholders

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC. The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the Offer Period under this Prospectus:

- (a) the Annual Consolidated Financial Report for the Company for the year ended 30 June 2019;
- (b) the Interim Consolidated Financial Report of the Company for the half-year ended 31 December 2019; and
- (c) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Consolidated Financial Report of the Company for the year ending 30 June 2019 and before the issue of this Prospectus:

| Date | Announcement |
|------------------|---|
| 18 October 2019 | Appendix 4G – Corporate Governance Statement |
| 18 October 2019 | Notice of 2019 Annual General Meeting/Proxy Form |
| 23 October 2019 | New Managing Director and CEO Appointed |
| 30 October 2019 | Chief Financial Officer to Retire |
| 31 October 2019 | Quarterly Report to 30 September 2019 |
| 4 November 2019 | Board Restructure |
| 4 November 2019 | Response to IGO Bid |
| 4 November 2019 | Becoming a Substantial Shareholder from IGO |
| 6 November 2019 | Thunder Bay North – New Extension of Definitive Agreement |
| 8 November 2019 | Statement by Zeta Resources on IGO Takeover Offer |
| 11 November 2019 | Trading Halt |
| 12 November 2019 | Update on unsolicited Takeover Offer from IGO |
| 12 November 2019 | Appendix 3X – Victor Rajasooriar |
| 12 November 2019 | Appendix 3Z – Peter Harold |
| 13 November 2019 | Suspension from Official Quotation |
| 14 November 2019 | Update on Savannah Project and IGO Offer |
| 14 November 2019 | Reinstatement to Official Quotation |
| 14 November 2019 | Acknowledgement of ASX Announcement |
| 20 November 2019 | 2019 AGM Chairman's Address |
| 20 November 2019 | 2019 AGM Presentation |
| 20 November 2019 | Results of 2019 AGM |
| 21 November 2019 | Appendix 3Z – Brian Phillips |
| 22 November 2019 | Update on IGO Offer and Due Diligence |

| Date | Announcement |
|------------------|--|
| 25 November 2019 | Horizon Gold Management Agreement Extended |
| 25 November 2019 | Update on IGO Offer, Operational Review and Funding |
| 3 December 2019 | MD Presents at Macquarie WA Forum |
| 4 December 2019 | Savannah North Update and Operational Review Outcomes |
| 5 December 2019 | Trading Halt |
| 5 December 2019 | Board Unanimously Recommends Rejection of IGO Offer |
| 5 December 2019 | Entitlement Offer |
| 5 December 2019 | Investor Presentation |
| 5 December 2019 | Cleansing Statement |
| 5 December 2019 | Appendix 3B – Capital Raising |
| 6 December 2019 | Entitlement Offer – Separate ASX Code |
| 9 December 2019 | Entitlement Offer – Completion of Institutional Component |
| 9 December 2019 | Retail Offer Book |
| 9 December 2019 | Ineligible Shareholders Letter |
| 9 December 2019 | Target's Statement |
| 9 December 2019 | Target's Statement – Page Inserted |
| 12 December 2019 | New CFO Appointment |
| 12 December 2019 | Entitlement Offer – Despatch of Retail Offer Booklet |
| 13 December 2019 | Notice of GM and Proxy Form |
| 16 December 2019 | Appendix 3B – Institutional Shares |
| 16 December 2019 | Finalisation of Independent Expert's Report |
| 18 December 2019 | Retail Entitlement Offer – Extension of Closing Date |
| 23 December 2019 | Receipt of Independent Expert's Report |
| 27 December 2019 | Change of interests of substantial holder from IGO |
| 27 December 2019 | Response to IGO Statement |
| 6 January 2020 | Preliminary December 2019 Quarterly Statistics |
| 6 January 2020 | Sale of Thunder Bay North Project – SPA Signed |
| 8 January 2020 | Rights Issue – Closing Date Reminder |
| 13 January 2020 | Results of General Meeting |
| 14 January 2020 | Completion of Retail Entitlement Offer |
| 15 January 2020 | Trading of Entitlement Offer Shares |
| 16 January 2020 | Change of interest of substantial holder from IGO |
| 17 January 2020 | Appendix 3B - Retail and Shortfall Shares |
| 17 January 2020 | Appendix 3Y – Gillian Swaby |
| 17 January 2020 | Appendix 3Y – Nicholas Cernotta |
| 17 January 2020 | Appendix 3Y – Rebecca Hayward |
| 17 January 2020 | Appendix 3Y – Victor Rajasooriar |
| 23 January 2020 | Company Secretary Resignation and Appointment |
| 30 January 2020 | Barmingo Appointed Preferred Underground Mining Contractor |
| 30 January 2020 | Updated FY20 Production Guidance |
| 31 January 2020 | Quarterly Activities Report |
| 18 February 2020 | Partial Sale of Horizon Gold Shareholding |

| Date | Announcement |
|------------------|---|
| 20 February 2020 | Horizon Gold Cleansing Notice |
| 20 February 2020 | Change in substantial holding for HRN |
| 21 February 2020 | Savannah Underground Mining Contract Executed with Barminto |
| 21 February 2020 | Savannah North Development Update |
| 28 February 2020 | Appendix 4D and Half Year Financial Report |
| 2 March 2020 | Barminto Handover Complete |
| 11 March 2020 | Pause in Trading |
| 11 March 2020 | Response to Media Speculation |
| 13 March 2020 | Becoming a Substantial Holder |
| 23 March 2020 | Change of Director's Interest Notice – V. Rajasooriar |
| 27 March 2020 | COVID-19 Response |
| 30 March 2020 | Disposal of Horizon Gold Shareholding |
| 31 March 2020 | Closeout of Hedge Book |
| 1 April 2020 | Change in substantial holding for HRN |
| 1 April 2020 | Horizon Gold Cleansing Statement |
| 3 April 2020 | Loan Agreement with Zeta Resources |
| 3 April 2020 | Proposed issue of Securities - PAN |
| 9 April 2020 | Change of Company Secretary |
| 14 April 2020 | Trading Halt |
| 15 April 2020 | Suspension from Official Quotation |
| 15 April 2020 | Operations Update |
| 29 April 2020 | Quarterly Activities Report |
| 29 April 2020 | Reduction in Corporate Costs |
| 1 May 2020 | Voluntary Suspension Extension |
| 7 May 2020 | Savannah Project – Mineral Resource Update |
| 7 May 2020 | Investor Update – May 2020 |
| 15 May 2020 | Sale of Thunder Bay North Project Completed |
| 18 May 2020 | Put and Call Option Deed between Macquarie Bank and Zeta |
| 21 May 2020 | General Meeting – Letter to Shareholders |
| 21 May 2020 | Notice of General Meeting/Proxy Form |
| 22 May 2020 | Voluntary Suspension Extension |
| 22 May 2020 | Partial Repayment of Senior Debt Facility |
| 25 May 2020 | Strategic Investment and Equity Raising |
| 25 May 2020 | Investor presentation (in respect of this Offer) |

The above documents may also be obtained from the Company's website (www.panoramicresources.com) or ASX's website (www.asx.com.au). The Company's ASX code is 'PAN'.

9.5 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with the Joint Lead Managers who have agreed, subject to the satisfaction of certain

conditions precedent, to fully underwrite the Placement and the Entitlement Offer. As is customary with these types of arrangements:

- (a) the obligation to underwrite is subject to the satisfaction of certain conditions precedent, including the delivery of certain due diligence materials, and ASX not indicating that it will refuse quotation of New Shares to be issued under the Placement or the Entitlement Offer;
- (b) Panoramic has agreed, subject to certain carve-outs, to indemnify and hold harmless each Joint Lead Manager, their respective related bodies corporates, and each director, officer, partner or employee of the Joint Lead Managers or their respective related bodies corporate, individually and collectively, against a broad range of losses incurred in connection with, or relating directly to, the Placement and the Entitlement Offer, their appointment as Joint Lead Managers and the documents relating to the Placement and the Entitlement Offer; and
- (c) Panoramic and the Joint Lead Managers have given certain representations, warranties and undertakings in connection with (among other things) the Placement and the Entitlement Offer.

Termination rights

The Joint Lead Managers may at any time prior to 8.00am (WST) on the Retail Allotment Date by notice given to the Company and without any cost or liability, immediately terminate the Underwriting Agreement if any one or more of the following non-materially qualified events occurs or has occurred during the period from and including the time of execution of the Underwriting Agreement until 8.00am (WST) on the Retail Allotment Date.

- (d) **(Listing)** The Company ceases to be admitted to the Official List of ASX or the Shares cease to be quoted on ASX, or it is announced by ASX or the Company that such an event will occur.
- (e) **(ASX approval)** Unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for Official Quotation of the New Shares is refused or is not granted by the time required to conduct the Offer in accordance with the timetable or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offer) or withdrawn.
- (f) **(Insolvency)** The Company or a subsidiary of the Company is Insolvent or there is an act or omission, or a circumstance arises, which is likely to result in the Company or a subsidiary becoming Insolvent.
- (g) **(Withdrawal)** The Company notifies the Joint Lead Managers or ASX in writing that it does not wish to proceed with all or any part of the Offer.
- (h) **(Offer force majeure)** There is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for the Joint Lead Managers to satisfy a material obligation of the Underwriting Agreement, or to market, promote or settle the Offer.
- (i) **(Change in certain officers)** There is a change in managing director or chief financial officer of the Company, or a prospective change is announced with regards to those officers, other than one which has already been disclosed to ASX or in any public information or disclosed to the Joint Lead Managers before the date of the Underwriting Agreement.

- (j) **(Regulatory action in relation to directors and senior executives)**
 - (i) a director or the chief executive officer or chief financial officer of the Company is charged with an indictable offence or fraudulent conduct;
 - (ii) any director of the Company is disqualified under the Corporations Act from managing a corporation; or
 - (iii) any regulatory body (other than the Takeovers Panel) commences any public action against the Company, or any director or the chief executive officer or chief financial officer of the Company, or publicly announces that it intends to take any such action.
- (k) **(Conduct)** The Company or any of its directors or officers engages in any fraudulent, misleading or deceptive conduct or activity in connection with the Offer.
- (l) **(Unable to issue)** The Company is unable to issue or prevented from issuing New Shares as contemplated by the Underwriting Agreement by virtue of the Listing Rules, applicable laws, a governmental agency or an order of a court of competent jurisdiction within the period required by the Listing Rules or timetable.
- (m) **(Capital structure)** There is an alteration to the Company's capital structure without the prior consent of the Joint Lead Managers or as otherwise provided in the Underwriting Agreement or contained within the ASX disclosures (being, all information and announcements lodged by the Company on the ASX markets announcement platform, within the 12 months before the date of the Underwriting Agreement and until the Retail Allotment Date).
- (n) **(Market fall)** The S&P/ASX 200 Index closes on:
 - (i) two consecutive Business Days, both of which occur prior to the Institutional Settlement Date; or
 - (ii) Three consecutive Business Days, all of which occur prior to the Retail Settlement Date,

at a level that is 10% or more below its level as at the close of trading on the business day before the date of the Underwriting Agreement.
- (o) **(Nickel price fall)** The price of nickel by reference to the LME Nickel Official Price in Australian dollars (converted to Australian dollars daily at the prevailing official RBA AUD:USD exchange rate) closes on:
 - (i) two consecutive business days both of which occur prior to the Institutional Settlement Date; or
 - (ii) three consecutive business days, all of which occur prior to the Retail Settlement Date,

at a level which is 12.5% or more below the level of that price at the close of trading on the business day before the date of the Underwriting Agreement.
- (p) **(ASIC action)** ASIC:
 - (i) makes an order or interim order under section 739 concerning the Prospectus;

- (ii) applies for an order under Part 9.5 in relation to the Offer or any information document (including the Prospectus); or
 - (iii) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Offer or any information document (including the Prospectus) under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth); or
 - (iv) prosecutes or gives notice of an intention to prosecute or commences proceedings against, or gives notice of an intention to commence proceedings against the Company or any of its officers, employees or agents in relation to the Offer or any information document (including the Prospectus).
- (q) **(withdrawal of Prospectus)** The Company withdraws the Prospectus or the Offer.
- (r) **(Certificate)** A certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished when required, or if furnished is untrue, incorrect or misleading or deceptive in any material respect (including by omission).
- (s) **(Timetable)** Any event specified in the timetable is delayed by more than two Business Days other than with the consent of the Joint Lead Managers or a delay caused solely by a Joint Lead Manager seeking to terminate.
- (t) **(Information Documents)** Any:
- (i) statement in an information document (including the Prospectus) is or becomes materially false, misleading or deceptive in a material respect or likely to mislead or deceive, in a material respect;
 - (ii) information document (including the Prospectus) does not contain all material information required to comply with all applicable laws; or
 - (iii) information document (including the Prospectus) is withdrawn.
- (u) **(Compliance)** The Company commits a breach of the Corporations Act, Listing Rules, its Constitution or other material applicable laws, or has failed to comply with its continuous disclosure obligations or its Constitution.
- (v) **(Takeover)** There is a material change in the major or controlling shareholdings of the Company or any its subsidiaries (other than as a result of the Offer and institutional bookbuild) or a takeover offer (which has become unconditional and the person making the takeover bid has a relevant interest in 50% or more of the Shares) or scheme pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company or any its subsidiaries.

In addition to the termination rights described above, the Joint Lead Managers may at any time prior to 8.00am (WST) on the Retail Allotment Date, by notice given to the Company and without any cost or liability, immediately terminate the Underwriting Agreement if any one or more of the following materially qualified events occurs or has occurred during the period from and including the time of execution of the agreement until 8.00am (WST) on the Retail Allotment Date, if the Joint Lead Managers have reasonable grounds to believe or actually do believe, that it:

- (a) has or is likely to have a material adverse effect on:
 - (i) the financial position or performance, shareholders' equity, profits, losses, results, condition, operations or prospects of the Company or its subsidiaries;
 - (ii) the success or outcome of the Offer;
 - (iii) the ability of the Joint Lead Managers to market, promote or effect settlement of, the Offer (irrespective of whether or not the Offer has opened);
 - (iv) the market price of Shares on ASX; or
 - (v) a decision of an investor to invest in Shares; or
- (b) has given or could reasonably be expected to give rise to a contravention by, or a liability of, the Joint Lead Managers under any applicable law or regulation.

The materially qualified events are as follows:

- (a) **(Breach)** The Company fails to perform or observe any of its obligations under the Underwriting Agreement including (for the avoidance of doubt) without limitation not receiving or obtaining consent from the Joint Lead Managers where required by the terms of the Underwriting Agreement.
- (b) **(Future matters)** Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an information document (including the Prospectus) or public information is or becomes incapable of being met or, in the reasonable opinion of the Joint Lead Managers, unlikely to be met in the projected timeframe.
- (c) **(Due Diligence)** Any of the documents required to be provided under the due diligence planning memorandum having been withdrawn, or varied without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld).
- (d) **(Information)** The due diligence report or the information provided by or on behalf of the Company to the Joint Lead Managers in relation to the due diligence program, the information documents (including the Prospectus) or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission).
- (e) **(Representations and warranties)** A representation or warranty made or given by the Company under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.

- (f) **(Regulatory action)** Any regulatory body commences any enquiry or public action against the Company or a subsidiary of the Company, other than disclosed to the Joint Lead Managers prior to the date of this agreement.
- (g) **(New circumstance)** A new circumstance arises which is a matter materially adverse to investors in New Shares and which would have been required by the Corporations Act to be included in the information documents (including the Prospectus) had the new circumstance arisen before the information documents (including the Prospectus) were given to ASX.
- (h) **(Adverse change)** There is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of the Company or its subsidiaries (in so far as the position in relation to any entity in the Group affects the overall position of the Company).
- (i) **(Error in Due Diligence)** It transpires that any of the due diligence report or any part of the verification materials was materially false, misleading or deceptive or that there was a material omission from them, notwithstanding the fact that the Joint Lead Managers (or a representative of the Joint Lead Managers) may have signed off on the due diligence report.
- (j) **(Litigation):** Litigation, arbitration, administrative or industrial proceedings of a material nature are after the date of this agreement commenced against any Group company or against any director of the Company in their capacity as such, other than any claims foreshadowed in this Prospectus (or any vexatious or frivolous claims).
- (k) **(Investigation):** Any person is appointed under any legislation in respect of companies to investigate the affairs of a Group company.
- (l) **(Takeovers Panel)** The Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act.
- (m) **(Material contracts)** Any contract, deed or other agreement, which is material to the making of an informed investment decision in relation to the New Shares includes but is not limited to:
 - (i) Forbearance Agreements from RUC Mining Contractor Pty Ltd, DDH1 Drilling Pty Ltd, CGL Fuel Pty Ltd and Barmingo; and
 - (ii) the Savannah Facility Agreement with Macquarie,
 is either:
 - (iii) terminated, rescinded, altered or amended without the prior written consent of the Joint Lead Manager (such consent not to be unreasonably withheld); or
 - (iv) found to be void or voidable.
- (n) **(Contravention of constitution or applicable law)** A contravention by a Group company of any provision of its Constitution, the Corporations Act, the Listing Rules or any other material applicable legislation or any policy or requirement of ASIC or ASX.

- (o) **(Change in law)** There is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a governmental agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a governmental agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of the agreement).
- (p) **(Disruption in financial markets)** Any of the following occurs:
 - (i) a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Canada, the United Kingdom, China, Hong Kong, Singapore, Japan or a member state of the European Union is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - (ii) trading in all securities quoted or listed on the ASX, the New York Stock Exchange or the London Stock Exchange is suspended or limited in a material respect; or
 - (iii) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, the United States, the United Kingdom, or China or any change or development involving a prospective adverse change in any of those conditions or markets.
- (q) **(Hostilities)** Major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, Canada, the United Kingdom, China, Hong Kong, Singapore, Japan or a member state of the European Union or a national emergency (other than as a direct or indirect result of COVID19 or the transmission of SARS-CoV-2) is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world.
- (r) **(Prescribed Occurrence)** A Prescribed Occurrence in respect of the Company occurs during the Offer Period, other than:
 - (i) as contemplated by the agreement:
 - (ii) the Company issuing securities pursuant to:
 - (A) the exercise or conversion of any security on issue as at the date of this agreement;
 - (B) any employee incentive scheme in operation as at the date of this agreement; or
 - (C) any distribution reinvestment plan; or
 - (iii) as permitted in writing by the Joint Lead Managers; or
 - (iv) as announced by the Company prior to the date of this agreement.

- (s) **(Withdrawal of consent)**
- (i) any person whose consent to the issue of the Prospectus or any supplementary prospectus is required by section 720 and who has previously consented to the issue of the Prospectus or any supplementary prospectus withdraws such consent;
 - (ii) any person gives a notice under section 733(3); or
 - (iii) any person (other than the Joint Lead Managers) who has previously consented to the inclusion of their name or any statement in the Prospectus or any supplementary prospectus withdraws that consent.

Fees

In relation to the Placement and the Institutional Entitlement Offer, subject to the Joint Lead Managers performing their obligations under the Underwriting Agreement, on the Institutional Settlement Date, the Company has agreed to pay the Joint Lead Managers (to be shared equally between them):

- (a) a management fee equal to 1.40% of the funds raised under the Institutional Entitlement Offer and Placement; and
- (b) an underwriting and selling fee equal to 3.00% of the funds raised under the Institutional Entitlement Offer and Placement.

In relation to the Retail Entitlement Offer, subject to the Joint Lead Managers performing their obligations under the Underwriting Agreement, on the Retail Settlement Date, the Company has agreed to pay the Joint Lead Managers (to be shared equally between them):

- (a) a management fee equal to 1.40% of the funds raised under the Retail Entitlement Offer;
- (b) a fixed fee of \$25,000 on completion of the Offer; and
- (c) an underwriting and selling fee equal to 3.00% of the funds raised under the Retail Entitlement Offer; and
- (d) a discretionary incentive fee of up to 0.40% of the funds raised under the Offer, payable by the Company at its sole discretion having regard to the overall deal execution performance of the Joint Lead Managers.

The underwriting and selling fee will be reduced to 1.00% in respect of any funds received from certain strategic investors under the Offer.

The Company has also agreed to pay 1.00% brokerage fee to Canaccord on execution of the sale of any New Shares that would have been issued to Ineligible Foreign Shareholders if Canaccord is appointed as a nominee for the purposes of section 615 of the Corporations Act.

Disclaimer

Neither the Joint Lead Managers nor any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of the information in this Prospectus and they do not take any responsibility for such information or any action

taken by you on the basis of such information. To the maximum extent permitted by law, each of the Joint Lead Managers and their respective related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer and the information in this Prospectus being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. Neither each respective Joint Lead Manager nor any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Offer, nor do they make any representations or warranties to you concerning this Offer or any such information, and you represent, warrant and agree that you have not relied on any statements made by either Joint Lead Manager or any of their respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Offer generally.

For the purposes of this section 9.5, the following capitalised terms have the meaning given below:

Insolvent means a person is insolvent if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); and
- (b) it has had a controller (as defined in the Corporations Act) appointed or is in liquidation or provisional liquidation, under administration or wound up or has had a receiver or receiver and manager appointed to any part of its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement);
- (d) an application or order has been made (and, in case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any event or circumstance referred to in any of the preceding paragraphs occurring;
- (e) it is taken (under section 459F(1)) to have failed to comply with a statutory demand (other than an order made that a subsidiary be wound up where such order is obtained at a hearing that is uncontested by the relevant subsidiary and is then set aside or terminated within 30 days of being made or by the relevant settlement date, whichever is earlier);
- (f) it is the subject of an event described in sections 459C(2)(b) or 585 (or it makes a statement from which another party to this agreement reasonably deduces it is so subject);
- (g) it is otherwise unable to pay its debts as and when they fall due; or
- (h) something having a substantially similar effect to any event or circumstance referred to in any of the preceding paragraphs happens in connection with that person under the law of any jurisdiction,

but in no circumstances will a member of the Group be Insolvent by virtue of any act, omission or event taken for the purpose of, or associated with, any member of the Group, or any director of a member of the Group relying on or invoking Safe Harbour protections pursuant to the Corporations Act (including under Part 5.7B of the Corporations Act) and associated actions, in each case before or after the date of this agreement (such as debt forbearance arrangements with creditors of the members of the Group).

Institutional Settlement Date means the date on which settlement occurs under the Institutional Entitlement Offer.

Prescribed Occurrence means the events specified in paragraphs (a) to (h) of subsection 652C(1) of the Corporations Act as if references to 'the target' were replaced by references to 'the Company'.

Retail Allotment Date means the date on which the New Shares are allotted and issued in respect of the Retail Entitlement Offer.

Retail Settlement Date means the date on which settlement occurs under the Retail Entitlement Offer.

Safe Harbour has the meaning given in the Corporations Act.

9.6 Corporate Governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent that they are applicable to the Company, the Board has adopted the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has disclosed the reasons for the departure in its Corporate Governance Statement for the financial year ended 30 June 2019. This can be found in the Company's Annual Report for the financial year ended 30 June 2019.

A summary of the Company's corporate governance policies and procedures is available on the Company's website at www.panoramicresources.com.

9.7 Agreements with Directors and related parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

Except to the extent otherwise disclosed in this Prospectus, the Company does not intend to issue any securities to Directors or other related parties at this time, other than up to the extent of their Entitlement under the Entitlement Offer.

As announced on 23 October 2019, under his employment contract with the Company, Victor Rajasooriar is entitled to be granted performance rights for the period from 1 July 2020 to 30 June 2023.⁴ See section 9.9 for information regarding the Directors' intentions in respect of their Entitlements. See section 7.2 for information regarding the existing agreements between the Company and Zeta.

9.8 Rights Attaching to Shares

The New Shares to be issued pursuant to this Prospectus will rank equally in all respects with existing Shares in the Company.

Full details of the rights attaching to the Company's Shares are set out in its Constitution, a copy of which is available on the Company's website at www.panoramicresources.com or can be inspected at the Company's registered office.

The following is a summary of the principal rights which attach to the Company's Shares:

(a) Voting

Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative has one vote for every fully paid Share held by him or her. Voting rights in respect of partly paid Shares, are determined pursuant to the calculation in article 9.16 of the Constitution.

A poll may be demanded by the chairman of the meeting, by any five Shareholders entitled to vote on the particular resolution present in person or by proxy, attorney or representative, or by any one or more Shareholders who are together entitled to not less than 5% of the total voting rights of, or paid up value of, the Shares of all those Shareholders having the right to vote on the resolution.

(b) Dividends

Dividends are payable out of the Company's profits and are declared by the Directors.

(c) Transfer of Shares

A Shareholder may transfer Shares by any method of transfer which is required or permitted by the Listing Rules or the Corporations Act for the purpose of facilitating transfers in Shares.

The Directors of the Company may refuse to register any transfer of Shares, (other than a market transfer) where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules.

(d) Meetings and Notice

Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act or the Listing Rules.

(e) **Liquidation Rights**

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as it considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(f) **Shareholder Liability**

As the New Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(g) **Alteration to the Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. At least 28 clear days' written notice, specifying the intention to propose the resolution as a special resolution must be given.

(h) **ASX Listing Rules**

If the Company is admitted to the Official List, then despite anything in the Constitution of the Company, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision or not to contain a provision the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

9.9 Interests of Directors

(a) **Directors' holdings**

At the date of this Prospectus the relevant interest of each of the Directors in the securities of the Company are as follows:

| Director | Number of Shares |
|--------------------|------------------|
| Peter Sullivan | Nil |
| Victor Rajasooriar | 833,333 |
| Nicholas Cernotta | 50,000 |
| Rebecca Hayward | 50,000 |
| Gillian Swaby | 50,000 |

(b) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding

the aggregate maximum sum per annum from time to time determined by the Company in general meeting (which is currently \$600,000 per annum).

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

As announced on 21 May 2020, the Company will be seeking Shareholder approval for the provision of certain termination benefits to Victor Rajasooriar at the general meeting to be held on 29 June 2020.

Details of remuneration provided to Directors and their associated entities during the past two financial years is as follows:

Financial Year ended 30 June 2019

| Directors | Director's Fees/Salaries | Superannuation | Other | Total |
|-----------------------------|--------------------------|----------------|--------|---------|
| | \$ | \$ | \$ | \$ |
| Brian Phillips ¹ | 131,667 | Nil | 4,355 | 136,022 |
| John Rowe ² | 94,167 | Nil | 4,355 | 98,522 |
| Peter Sullivan | 94,167 | Nil | 4,355 | 98,522 |
| Nicholas Cernotta | 94,167 | Nil | 4,355 | 98,522 |
| Rebecca Hayward | 85,833 | Nil | 4,355 | 90,188 |
| Peter Harold ³ | 544,275 | 51,706 | 27,282 | 623,263 |

Notes:

1. Brian Phillips retired as a Director on 20 November 2019.
2. John Rowe retired as a Director on 30 June 2019.
3. Peter Harold retired as a Director on 11 November 2019.

Financial Year Ended 30 June 2018

| Directors | Director's Fees/Salaries | Superannuation | Other | Total |
|--------------------------------|--------------------------|----------------|---------|---------|
| | \$ | \$ | \$ | \$ |
| Brian Phillips ¹ | 90,000 | Nil | 2,244 | 92,244 |
| John Rowe ² | 65,000 | Nil | 2,244 | 67,244 |
| Peter Sullivan | 65,000 | Nil | 2,244 | 67,244 |
| Nicholas Cernotta ³ | 10,833 | Nil | 363 | 11,196 |
| Rebecca Hayward ⁴ | 1,806 | Nil | 55 | 1,861 |
| Peter Harold ⁵ | 498,150 | 47,324 | 140,469 | 685,943 |

Notes:

1. Brian Phillips retired as a Director on 20 November 2019.
2. John Rowe retired as a Director on 30 June 2019.
3. Nicholas Cernotta was appointed as a Director on 2 May 2018.
4. Rebecca Hayward was appointed as a Director on 21 June 2018.
5. Peter Harold retired as a Director on 11 November 2019.

Since 30 June 2019 to 22 May 2020, the Directors have accrued the following remuneration:

| Directors | Director's Fees/Salaries | Superannuation | Termination | Total |
|---------------------------------|--------------------------|----------------|-------------|---------|
| | \$ | \$ | \$ | \$ |
| Peter Sullivan | 109,337 | Nil | Nil | 109,337 |
| Victor Rajasooriar ¹ | 280,535 | 26,651 | Nil | 307,186 |
| Nicholas Cernotta | 81,811 | 7,772 | Nil | 89,583 |
| Rebecca Hayward | 78,865 | 7,492 | Nil | 86,357 |
| Gillian Swaby ² | 56,771 | 5,393 | Nil | 62,164 |
| Brian Phillips ³ | 55,555 | Nil | Nil | 55,555 |
| Peter Harold ⁴ | 201,414 | 59,505 | 593,040 | 853,959 |

Notes:

1. Victor Rajasooriar was appointed as a Director on 11 November 2019.
2. Gillian Swaby was appointed as a Director on 8 October 2019.
3. Brian Phillips retired as a Director on 20 November 2019.
4. Peter Harold retired as a Director on 11 November 2019.

It should be noted that, as announced on 29 April 2020, the non-executive Directors have agreed to reduce their fees by 25%. Other executives, including Managing Director and CEO Victor Rajasooriar, have agreed to a 20% reduction in their salaries. Both pay reductions are effective from 1 May 2020.

(c) **Directors' interests**

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (iii) the Offer.

It is the current intention of Victor Rajasooriar to subscribe for all of his Entitlements under this Prospectus.

It is the current intention of Nicholas Cernotta to subscribe for all of his Entitlements under this Prospectus.

It is the current intention of Rebecca Hayward to subscribe for all of her Entitlements under this Prospectus.

It is the current intention of Gillian Swaby to subscribe for all of her Entitlements under this Prospectus.

All Directors may or may not purchase additional Shares prior to the Record Date.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any Director

or to any company or firm with which a Director is associated to induce that Director to become, or to qualify as, a Director, or otherwise for services rendered by that Director or their company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

The Company has paid insurance premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings while acting in the capacity of a Director.

9.10 Interests of Named Persons

Except as disclosed in this Prospectus, no promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, holds, or during the last two years has held, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer,

and no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to a promoter or any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Morgans and Canaccord are the Joint Lead Managers to the Offer and have agreed to fully underwrite the Offer. The Company will pay the Joint Lead Manager for these services the fees described in section 3.9.

Hartleys Limited is acting as co-manager and the Joint Lead Managers are responsible for any commissions or fees payable to Hartleys Limited in its role as co-manager. Such commissions and fees are payable by the Joint Lead Managers out of the fees received by the Joint Lead Managers as described in section 3.9. Hartleys Limited has provided other professional services to the Company during the last two years for which the Company has paid gross fees totalling approximately \$1,300,000.

Canaccord has not been paid fees by the Company in the two years preceding the date of this Prospectus and does not hold any Shares in the Company as at the date of this Prospectus.

Morgans has provided other professional services to the Company during the last two years for which the Company has paid gross fees totalling approximately \$2,000,000.

EY has prepared the Independent Limited Assurance Report in section 12 of this Prospectus and will be paid \$37,400 by the Company for providing that report. EY has provided other professional services to the Company during the last two years for which the Company has paid gross fees totalling approximately \$555,240.

9.11 Consents

Each of the other parties referred to in this section 9.11:

- (a) has not authorised or caused the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based other than as specified in this section; and
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Each of the following has consented to being named in the Prospectus in the capacity as noted below and has not withdrawn such consent prior to the lodgement of this Prospectus with the ASIC:

- (d) EY as the auditor of Panoramic and the Investigating Accountant;
- (e) Zeta in relation to its participation in the Offer;
- (f) WSA in relation to its participation in the Offer;
- (g) Victor Rajasooriar in relation to his participation in the Entitlement Offer;
- (h) Nicholas Cernotta in relation to his participation in the Entitlement Offer;
- (i) Rebecca Hayward in relation to her participation in the Entitlement Offer;
- (j) Gillian Swaby in relation to her participation in the Entitlement Offer;
- (k) Hartleys Limited as co-manager; and
- (l) Morgans and Canaccord as Joint Lead Managers to the Offer.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

9.12 Expenses of the Offer

The estimated expenses of the Offer are as follows:

| Expense | \$ (ex. GST) |
|--|--------------|
| ASX fees | 72,202 |
| ASIC fees | 7,412 |
| Investigating Accountant's fee | 37,400 |
| Joint Lead Manager and underwriting fee* | 3,060,000 |
| Legal expenses | 50,000 |
| Printing and other advisory expenses | 870,000 |
| Total | 4,082,014 |

*excludes the discretionary incentive fee of up to 0.40% of the funds raised under the Offer, which is payable by the Company at its sole discretion having regard to the overall deal execution performance of the Joint Lead Managers.

9.13 Litigation

The Company's wholly owned subsidiary, Savannah, is the defendant in civil action CIV 1445 of 2020 in the District Court of Western Australia. Those proceedings have been commenced by Mader Contracting Pty Ltd, who is seeking payment of \$322,750.12 it claims is owed to it in respect of unpaid invoices. Savannah is also the defendant in civil action CIV 1752 of 2020, which was commenced by another creditor seeking repayment of amounts owed to it, who has since signed a Forbearance Agreement. The Company anticipates that these proceedings will be settled once the Offer is completed.

The Company has also received two statutory demands from creditors, demanding repayment of amounts alleged to be due and payable to those creditors. The aggregate amounts claimed to be owed under the statutory demands is less than \$1 million.

The Company is also a party to forfeiture proceedings in the Wardens Court in respect of the certain non-core tenements. The Company considers these tenements to be non-core and, as such, the proceedings will not have a material impact on the Company.

As at the date of this Prospectus, the Company is not involved in any other legal proceedings.

Other than as set out in this Prospectus, the Directors are not aware of any legal proceedings pending or threatened against the Company.

10 Directors' Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Dated: 25 May 2020

A handwritten signature in black ink, appearing to read 'N. Cernotta', written in a cursive style.

Mr Nicholas Cernotta
Non-Executive Chairman
For and on behalf of
Panoramic Resources Limited

11 Defined Terms

| | |
|---|---|
| \$ | Australian dollars, unless otherwise stated. |
| AASB | The Australian Accounting Standards Board. |
| Additional New Shares | New Shares applied for by Eligible Retail Shareholders in excess of their Entitlement under the Top Up Facility. |
| Applicant | An Eligible Shareholder who submits an Entitlement and Acceptance Form. |
| Application | An application for New Shares under the Entitlement Offer. |
| Application Monies | Monies received from persons applying for New Shares under the terms of the Entitlement Offer. |
| ASIC | Australian Securities and Investments Commission. |
| ASX Class Waiver | Has the meaning given in section 9.3. |
| ASX Settlement | ASX Settlement Pty Ltd (ABN 49 008 504 532). |
| ASX Settlement Operating Rules | The operating rules of the settlement facility provided by ASX Settlement as amended from time to time. |
| ASX | ASX Limited (ABN 98 008 624 691) or the financial market operated by it, as the context requires. |
| Australian Accounting Standards or AAS | The accounting standards developed, issued and maintained by the AASB. |
| Barmenco | Barmenco Limited. |
| Barmenco Contract | Has the meaning given in section 7.2. |
| Barmenco Forbearance | Has the meaning given in section 7.2. |
| Barmenco Outstanding Amount | Has the meaning given in section 7.2. |
| Barmenco Settlement Sum | Has the meaning given in section 7.2. |
| Board | The board of Directors. |
| Business Day | Every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day. |
| Canaccord | Canaccord Genuity (Australia) Limited (ACN 075 071 466). |
| Closing Date | Friday, 12 June 2020 (unless extended). |
| Clean Air | Clean Air Metals Inc (formerly known as Regency Gold Corp). |
| Company or Panoramic | Panoramic Resources Limited (ACN 095 792 288). |
| Constitution | The constitution of the Company as at the date of this Prospectus. |
| Contract Power | Contract Power Australia Pty Ltd. |
| Corporations Act | The <i>Corporations Act 2001</i> (Cth). |
| Directors | The directors of the Company as at the date of this Prospectus. |
| Eligible Institutional Shareholder | A Shareholder who is eligible to participate in the Institutional Entitlement Offer as set out in section 4.1. |
| Eligible Retail Shareholder | A Shareholder who is eligible to participate in the Retail Entitlement Offer as set out in section 4.2. |
| Eligible Shareholder | A person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder. |

| | |
|---|--|
| Entitlement | The entitlement of an Eligible Shareholder to apply for Shares pursuant to the Entitlement Offer. |
| Entitlement and Acceptance Form | The personalised entitlement and acceptance form either attached to or accompanying this Prospectus in relation to the Entitlement Offer. |
| Entitlement Offer | The pro-rata accelerated non-renounceable entitlement offer of New Shares the subject of this Prospectus. |
| EY | Ernst & Young. |
| Financial Information | Has the meaning given in section 6.1. |
| FIRB | Foreign Investment Review Board. |
| Forbearance Agreement | Has the meaning given in section 7.2. |
| Group | The Company and its controlled entities. |
| Historical Financial Information | Has the meaning given in section 6.1. |
| Horizon | Horizon Gold Limited. |
| Horizon Share Sale | Has the meaning given in section 7.2. |
| IASB | International Accounting Standards Board. |
| IFRS | International Financial Reporting Standards issued by the IASB. |
| Ineligible Foreign Shareholders | Shareholders who are the registered holders of Shares but to whom the Entitlement Offer is not being made as set out in section 4.3. |
| Institutional Entitlement Offer | The institutional component of the Entitlement Offer. |
| Institutional Investors | <p>An institutional or professional investor who the Joint Lead Managers reasonably believe to be a person:</p> <ul style="list-style-type: none"> (a) if in Australia, who is an "exempt investor" as defined in <i>ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84</i>; (b) if in Bermuda, who acknowledges that any communications received in relation to the Offer occurred from outside Bermuda; (c) if in Canada, who is an "accredited investor" as defined in National Instrument 45-106 – Prospectus and Registration Exemptions ("NI 45-106") and, if relying on subsection (m) of the definition of that term, not a person created or being used solely to acquire or hold securities as an accredited investor; (d) if in Germany and Luxembourg, who is a "qualified investor" (as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union); (e) if in Hong Kong, who is a "professional investor" as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong; (f) if in New Zealand, who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"), (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act; (g) if in Norway, who is a "professional client" as defined in Norwegian Securities Regulation of 29 June 2007 no. 876; (h) if in Singapore, who is an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act of Singapore); |

- (i) if in **Switzerland**, who is a "professional client" within the meaning of article 4(3) of the Swiss Financial Services Act ("FinSA") or have validly elected to be treated as a professional client pursuant to article 5(1) of the FinSA;
- (j) if in the **United Kingdom**, who is (i) a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing Section 86(7) of the UK Financial Services and Markets Act 2000; and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended; and
- (k) if in the **United States**, who is (i) an institutional accredited investor (as defined in Rule 501(a)(1), (2), (3) and (7) under the US Securities Act); or (ii) a dealer or other professional fiduciary organized or incorporated in the United States that is acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which it exercises investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

| | |
|---|---|
| Independent Limited Assurance Report | The report in section 12 of the Prospectus. |
| Joint Lead Managers | Morgans and Canaccord. |
| JORC Code | The Australasian Joint Ore Reserves Committee Code. |
| Listing Rules | The Listing Rules of ASX. |
| Macquarie | Macquarie Bank Limited. |
| Macquarie Standstill | Has the meaning given in section 7.2. |
| Magma | Magma Metals Pty Ltd. |
| Mineral Resource | Has the meaning given in the JORC Code. |
| Morgans | Morgans Corporate Limited (ACN 010 539 607). |
| New Share | Any Share offered pursuant to the Placement, the Entitlement Offer or the Shortfall Offer under this Prospectus, the rights and liabilities of which are summarised in section 9.8. |
| Obligors | Panoramic, Savannah and Pan Transport. |
| Offer | The offer of New Shares under the Entitlement Offer, the Placement and the Shortfall Offer. |
| Offer Period | The period from the date of this Prospectus until the Closing Date (inclusive of those dates). |
| Offer Price | \$0.07 per New Share. |
| Official List | The Official List of the ASX. |
| Official Quotation | Quotation on the Official List. |
| Opening Date | Monday, 1 June 2020. |
| Ore Reserve | Has the meaning given in the JORC Code. |
| PAN PGMs | Pan PGMs Canada Limited. |
| Pan Transport | Pan Transport Pty Ltd. |
| Permitted Jurisdiction | Each of Australia, New Zealand, Switzerland, Bermuda, Germany, Luxembourg, United Kingdom, Hong Kong, Singapore, Norway, United States or Canada (British Columbia, Ontario and Quebec provinces), and any other jurisdictions as agreed between the Company and the Joint Lead Managers. |

| | |
|---|---|
| PGM | Platinum group metals. |
| Placement | The issue of approximately 410,182,573 New Shares at \$0.07 per New Share (being the same as the Offer Price) to WSA and other sophisticated and professional investors. |
| Placement Shares | The 410,182,573 New Shares expected to be issued to WSA and other sophisticated and professional investors under the Placement. |
| Pro Forma Historical Financial Information | Has the meaning given in section 6.1. |
| Prospectus | This prospectus. |
| Put and Call Option Deed | The put and call option deed between Zeta and Macquarie, the terms of which were announced on 18 May 2020. |
| Record Date | Wednesday, 27 May 2020. |
| Regulation S | Regulation S under the US Securities Act. |
| Restart | The restart of mining operations at the Savannah Nickel Mine. |
| Retail Entitlement Offer | The retail component of the Entitlement Offer. |
| RTEC | Rio Tinto Exploration Canada Inc. |
| Savannah | Savannah Nickel Mines Pty Ltd. |
| Savannah Facility Agreement or SFA | The facility agreement between Savannah and Macquarie dated 20 September 2018, as varied from time to time. |
| Savannah Nickel Mine or Savannah Project | The Company's nickel mine located in the East Kimberley region of Western Australia. |
| Savannah North | The orebody to the north of the Savannah Project mining operations. |
| Share | An ordinary fully paid share in the capital of the Company. |
| Shareholder | The registered holder of a Share. |
| Share Registry | The Panoramic share registry, being Computershare Investor Services Level 11 / 172 St Georges Terrace Perth WA 6000. |
| Shortfall or Shortfall Shares | The number of New Shares not subscribed for under the Placement if less than the maximum number of New Shares offered under the Placement are subscribed for plus the New Shares under the Entitlement Offer not validly applied for by Eligible Shareholders under their Entitlement or the Top Up Facility before the Closing Date. |
| Shortfall Offer | Has the meaning given in section 3.11. |
| Standstill Period | Has the meaning given in section 7.2. |
| TBN | The Thunder Bay North project, located in Canada. |
| Top Up Facility | The top up offer under which Eligible Retail Shareholders may apply for Additional New Shares in excess of their Entitlement, capped at 50% of their Entitlement. |
| Thunder SPA | The share purchase agreement between Magma and Clean Air dated 6 January 2020. |
| Underwriting Agreement | The underwriting agreement executed by the Joint Lead Managers and the Company on or about the date of this Prospectus, which is summarised in section 9.5. |
| US Securities Act | US Securities Act of 1933. |
| Valid Application | An Entitlement and Acceptance Form properly completed in accordance with the instructions in that form and in the Prospectus that is received by the Company on or before 5:00pm (WST) on the Closing Date in accordance with the provisions of the Prospectus for lodgement of Entitlement and Acceptance Forms and in respect of which payment of the |

price for the relevant number of New Shares is received in cleared funds in accordance with the payment provisions of this Prospectus.

WSA

Western Areas Limited ACN 091 049 357 (ASX:WSA).

WSA Subscription Agreement

The placement agreement between WSA and the Company dated on or about the date of this Prospectus.

WST

Australian Western Standard Time.

Zeta

Zeta Resources Limited.

Zeta Loan Facility

Has the meaning given in section 7.2.

Zeta Options

Has the meaning given in section 7.2.

Zeta Waiver

Has the meaning given in section 7.2.

12 Independent Limited Assurance Report

25 May 2020

The Due Diligence Committee,
each of its members and their representatives

The Board of Directors
Panoramic Resources Limited
Level 9
553 Hay Street
Perth WA 6000

Dear Directors

Due Diligence Sign-off

This Due Diligence Sign-off is provided to you in relation to the offer document to be issued by Panoramic Resources Limited (the "Client") on 25 May 2020 ("Offer Document") issued by Panoramic Resources Limited ("you" or "Panoramic") in connection with issue of fully paid ordinary shares in the capital of the Company ('Shares') by way of an accelerated pro-rata non-renounceable entitlement offer ("Entitlement Offer") pursuant to a transaction specific prospectus lodged with the Australian Securities & Investments Commission and a placement of Shares to institutional and sophisticated investors ("Placement") to raise up to approximately \$90 million ("the Offer"), and the work undertaken by us as a Due Diligence Committee ("DDC") Member and Reporting Person pursuant to our Engagement Agreement with the Client dated 18 May 2020 (the "Engagement Agreement").

Our services have been conducted and this Due Diligence Sign-off has been prepared in accordance with APES 350 *Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document*.

1. Introduction

We refer to the following financial information relating to the Client that is disclosed in the Offer Document:

- (a) the historical consolidated statement of financial position as at 31 December 2019 as set out in Section 6.5 of the Offer Document (the "Historical Financial Information");
- (b) the pro forma historical consolidated statement of financial position as at 31 December 2019 as set out in Section 6.5 of the Offer Document (the "Pro Forma Historical Financial Information").

(collectively "Financial Information").

2. Scope of Work

As agreed with the Client in the Engagement Agreement, in connection with the Offer Document we have:

- (a) participated as a member of and been a Reporting Person to the DDC that has been established for the purposes of coordinating due diligence investigations as set out in the Due Diligence Planning Memorandum (“**DDPM**”) dated 24 May 2020 in connection with the Offer Document, including responding to questions from DDC members in relation to the status of our work specified in this agreement;
- (b) provided advice in the form of a materiality guidance letter dated 13 May 2020 for consideration and decision by the directors and the DDC;
- (c) conducted a limited assurance review engagement, in accordance with ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/ or Prospective Financial Information*, of the Financial Information furnished to us by the Client; and
- (d) read and commented on successive drafts of the Offer Document.

We have also prepared an independent limited assurance report on the Financial Information for inclusion in the Offer Document.

3. Basis for Review Statement

The statement in section 4 (the “Review Statement”) is made on the basis of:

- (a) the procedures and other activities performed by us as described in section 2;
- (b) the materiality criteria adopted by the Client and the DDC; and
- (c) the assumptions and qualifications set out in this letter.

In making the Review Statement we only hold ourselves out as having expertise as Chartered Accountants. We disclaim any skills or expertise in any other capacity.

4. Review Statement

Based on our review of the Financial Information, which is not an Audit Engagement in accordance with Australian Auditing and Assurance Standards, and applying the materiality criteria adopted by the DDC, nothing has come to our attention that causes us to believe that:

- (a) the Financial Information is misleading or deceptive (including by omission) in the form and context in which it appears; or
- (b) the due diligence enquiries set out in the DDPM adopted by the DDC as they relate to the Financial Information do not constitute all enquiries which are reasonable in the circumstances so far as the Financial Information is concerned.

All matters in relation to the Financial Information which arose during the course of our work have been addressed by management of the Client or the DDC and, accordingly, there are no outstanding issues in relation to the Financial Information identified as part of our work which require the attention of the Client and the DDC.

5. Assumptions

In making the Review Statement in this Due Diligence Sign-off, we have assumed that:

- (a) the representations made and the information (including responses to questions and questionnaires) provided by Directors, officers, personnel and agents of the Client, other members of the DDC, and other persons reporting to the DDC, have been complete, true and accurate in all respects and were not misleading or deceptive;
- (b) all persons who were interviewed, questioned or sent questionnaires were competent to answer all questions put to them, made complete and accurate disclosures in all matters and that there were no other persons who should have been interviewed, questioned or sent questionnaires in relation to the matters the subject of those questions;
- (c) there were no relevant documents or information other than those which were disclosed, or provided by or on behalf of the client to us which are relevant to the Financial Information;
- (d) all corporate records and other documents examined by us are genuine, complete, up-to-date and accurate and, without limitation, any minutes of the meetings of the Client examined by us correctly record the business of, and resolutions passed at, any such meeting and no relevant corporate records have been withheld from us (whether deliberately or inadvertently);
- (e) all factual matters stated in any document provided to us are true and accurate; and
- (f) the Offer Document dated 25 May 2020 (final document) will be lodged with the Australian Securities and Investment Commission.

Nothing has come to our attention that causes us to believe that these assumptions are not reasonable. We have not taken any steps to validate these assumptions other than as may be specified in our scope of work in section 2.

6. Qualifications

Our Review Statement in this Due Diligence Sign-off are subject to the following qualifications:

- (a) we have no responsibility to update this Due Diligence Sign-off for events and circumstances occurring after the date of this Due Diligence Sign-off, other than as required under the terms of the Engagement Agreement;
- (b) insofar as consideration of Australian accounting standards and other mandatory professional reporting requirements impact or formed part of our scope of work, in making the Review Statement in section 4 we have had regard to such Australian requirements as are in place as at 9am WST on the date of this letter;
- (c) we make no statement, and express no opinion, on any matter such as legal matters requiring skills or expertise other than of an accounting nature;
- (d) the Review Statement in section 4 of this Due Diligence Sign-off relates only to the Financial Information and does not relate to any additional statements in or concerning the Offer Document that may be made by any person or any other conduct that any person may engage in concerning the Offer Document; and
- (e) the Review Statement in section 4 of this Due Diligence Sign-off is limited to the knowledge of those partners, directors and employees of Ernst & Young who have provided the services to the Client referred to in this letter, and we have made no enquiries of any other partner, director or employee of Ernst & Young, or any of its related entities, who may have knowledge of matters relevant to the Offer Document through the provision of services to other clients of Ernst & Young, or whose knowledge may not be applied because of any ethical wall arrangements implemented in relation to our engagement by the Client on this matter.

7. Recipients of this Due Diligence Sign-Off

This Due Diligence Sign-off is given solely for the benefit of:

- (a) the Client and its representatives on the DDC;
 - (b) the Directors of the Client; and
 - (c) each other member of the DDC and their representatives in their respective capacities as such,
- (together referred to as the "Recipients").

This Due Diligence Sign-off is not intended for general circulation or publication and may not, without our prior written consent in each specific instance:

- (a) be disclosed except to persons who, in the ordinary course of a Recipient's business have access to their papers and records and on the basis that such person will make no further disclosure of it and are not entitled to rely on it for any purpose;
- (b) be filed with a government or other agency, or be quoted or referred to in any public document or domain; or
- (c) be reproduced or used for any other purpose,

except as required by law, regulation or the rules of any Stock Exchange or government body or in connection with any enquiry conducted by a regulatory body or in the enforcement of the rights of, or in defence of any actual or potential claim against, a Recipient.

We do not accept any responsibility for any losses whatsoever occasioned to any Recipient or to any other party as a result of the circulation, reproduction or use of this Due Diligence Sign-off contrary to the above paragraph.

Yours faithfully



Ernst & Young

For all enquiries:

Phone:
 Company Secretary +61 8 6266 8600

PAN


MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Retail Entitlement Offer and how to make your payment

Retail Entitlement Offer — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (WST) on Friday, 12 June 2020**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the shareholding and Entitlements for this Retail Entitlement Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New Shares up to a maximum of 50% of your Entitlement. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 25 May 2020.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Panoramic Resources Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Retail Entitlement Offer →

Entitlement and Acceptance Form

STEP 1

Registration Name & Offer Details

Registration Name:

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Offer Details:

Existing shares entitled to participate as at 5:00pm (WST) on Wednesday, 27 May 2020:

Entitlement to New Shares on a 1.15 for 1 basis:

Amount payable on full acceptance at \$0.07 per New Share:

Maximum number of Additional New Shares you may apply for under the Top Up Facility (50% of your Entitlement):

Amount payable on full acceptance of Entitlement and application for the maximum Additional New Shares:

X 9999999991

IND

For your security keep your SRN/HIN confidential.

Entitlement No: 12345678

STEP 2 Make Your Payment by 5:00pm (WST) on Friday, 12 June 2020

To avoid postal delay make your payment via BPAY either online or by phone with your bank using the payment details below.

BPAY

Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque or savings account.

Neither Computershare Investor Services Pty Limited (CIS) nor Panoramic Resources Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible Shareholders should use the customer reference number shown on this Application Form when making a BPAY payment.

MAIL Neither CIS nor Panoramic Resources Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice
The personal information you provide on this form is collected by CIS, as registrar for the securities issuers (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.

[Detach here](#)

Panoramic Resources Limited Acceptance Payment Details

Entitlement taken up:

Number of Additional New Shares applied for:

Amount enclosed at \$0.07 per New Share:

A\$



Entitlement No: 12345678
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

BPAY is the most efficient and secure form of payment. Your BPAY payment details are shown above.

Contact & Cheque Details

Contact Name

Daytime Telephone

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

A\$