



FLASH NOTE

April 11 2017

Panoramic Resources (PAN:ASX) – Large off-hole EM conductor confirmed at Savannah

Price: 33c Market Cap: \$135m

IMPACT: Positive

This is an encouraging exploration result from Savannah. The highly conductive nature of the EM conductor is consistent with nickel-copper-cobalt mineralisation previously mined at Savannah. The size of the conductor is also encouraging, this is a large conductor (800m x 450m) of similar scale to the initial conductors indicating the Savannah North discovery to the west. The anomaly has been defined off-hole by three holes. We see this as a priority target and hope PAN will drill test this anomaly this quarter. The discovery of additional mineralisation right next to the mine and processing plant could significantly improve the economics of the Savannah Project.

An EM conductor reflects a highly conductive horizon that could represent (among other things) economic magmatic nickel sulphides, barren sulphides or graphite mineralisation. The only certainty will be in the drilling. However, we are enthusiastic over the geological prospectivity of this anomaly for the following reasons;

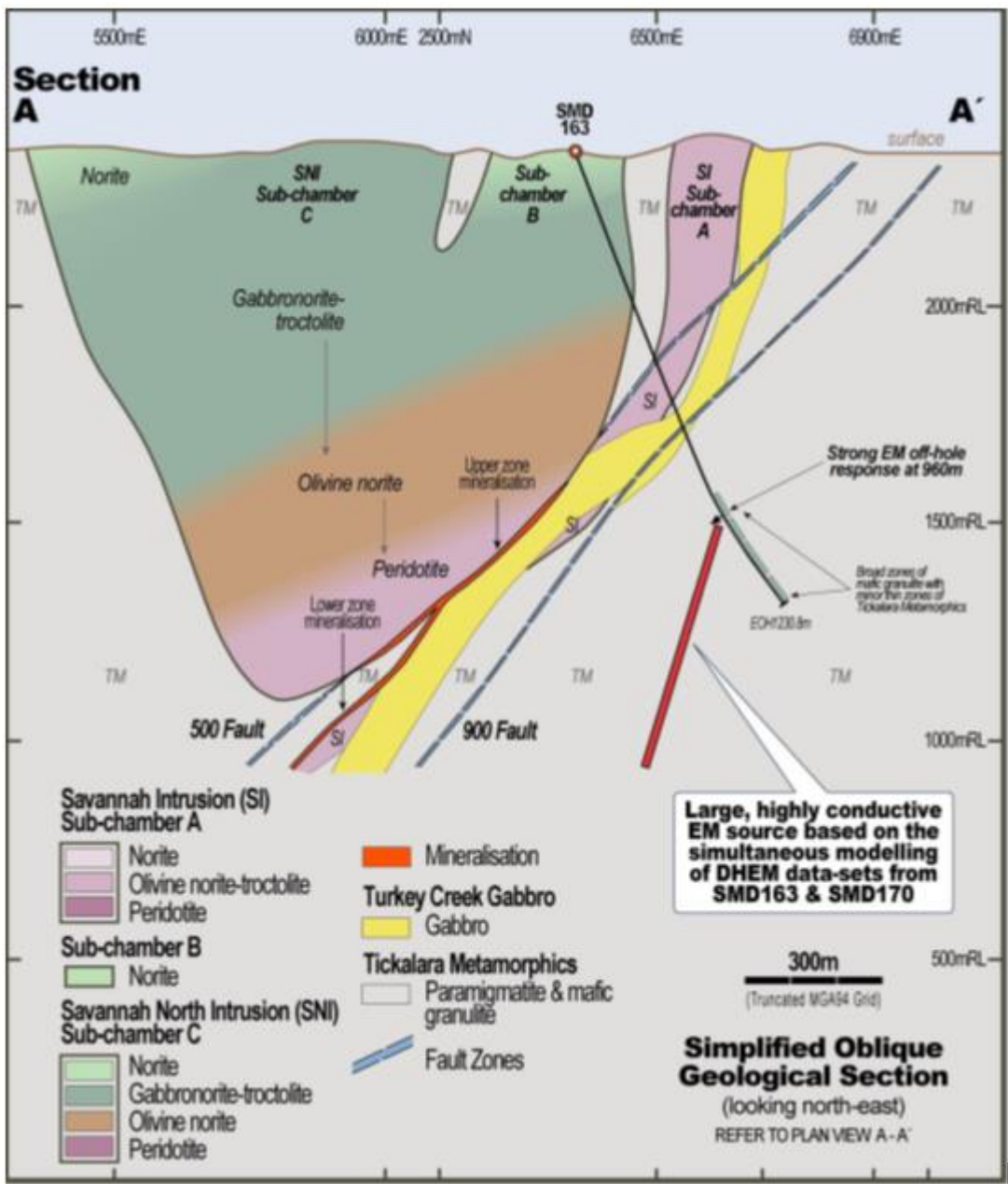
- The size and conductivity of the anomaly are significant, and similar to those associated with known mineralisation in the area
- The dip of the conductor is consistent with the dip of known mineralisation and structures
- Drilling in the surrounding holes shows shearing that could represent the up dip extent of faulting that could host a structural repeat of the Savannah mineralisation (a possible interpretation of the relationship between mineralisation currently discovered at Savannah)
- Intense mafic intrusion activity in hole 163 could indicate the proximity of another mafic/ultramafic sub-chamber (the host for Savannah mineralisation) below the hole in the position of the conductor
- The Tickalarra metamorphics in the area have not been shown to host any highly conductive barren sulphides or graphitic horizons to date
- We have long held the view that Savannah is a large magmatic system that could potentially host significantly more mineralisation than found to date

DETAILS:

PAN has announced a large off-hole EM conductor has been defined at Savannah. Highlights are as follows;

- **A large, highly conductive, off-hole EM conductor** has been confirmed at Savannah
- **Electromagnetic properties are consistent with “Savannah style” nickel sulphide** mineralisation
- **Additional drilling is being planned** to test the source of the conductor as a priority

Geological section showing position of conductor in relation to Savannah mineralisation and existing drilling



Source: PAN

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