



ASX Announcement
10 April 2018

Consistent Production at Nicolsons Ahead of Further Upgrades

Pantoro Limited (**ASX:PNR**) (**Pantoro**) is pleased to provide a summary of key events during the March 2018 quarter ahead of releasing its quarterly activities report.

Key highlights during the quarter included:

- Production of 13,385 ounces compared with 13,841 ounces in the December 2017 quarter. This maintains production levels at approximately 55,000 ounces per annum ahead of the implementation of the ore sorter and production increases for the Nicolsons mine.
- Nicolsons processing plant continued to operate reliably at 240,000 tonnes per annum with 56,729 tonnes processed at an average grade of 7.96 g/t Au and an average recovery of 92.2%.
- Installation of the Steinert ore sorter and associated fixed plant underway in preparation for commissioning this month (plate 1 over page). The ore sorter will be the main driver to continued production increases during the coming year, and Pantoro is continuing to aim for production rates of 80-100,000 ounces per annum by the end of 2018.
- Works at the Wagtail open pits to establish access to underground portal positions were completed. Pantoro is expecting all regulatory approvals to be finalised allowing commencement of underground development at Wagtail in April 2018.
- A surface ventilation rise from surface to 130 m was commenced at the southern end of Nicolsons during February 2018. The rise was nearing completion at the end of the quarter.
- Drilling continued to be focussed on attaining results to assist with Mineral Resource and Ore Reserve updates for both Wagtail and Nicolsons. Drilling during the period returned some of the deepest high grade intersections received to date at the Project. Mineralisation over 400 m below surface was intersected at Nicolsons, and also 220 m below surface at Wagtail/Rowdies, located only 400 m south of the Nicolsons South Decline.

Significant results returned and announced to the ASX on 5 April 2018 and 26 March 2018 include:

Nicolsons

- 1 m @ 11.80 g/t Au (Anderson 410mbs)
- 3.8 m @ 58.36 g/t Au inc. 2.4m @ 91.7 g/t Au (Johnston)
- 1.10 m @ 51.06 g/t Au (Johnston)
- 16.9 m @ 7.20 g/t Au (TW 4.56 m) including 8.35 m @ 12.04 g/t Au (Anderson)

Wagtail/Rowdies

- 2.34 m @ 63.12 g/t Au, inc. 0.9 m @ 83.65 g/t Au (Wagtail South)
- 1.75 m @ 20.19 g/t Au, inc. 0.98 m @ 34.4 g/t Au (Rowdies)
- 0.8 m @ 17.51 g/t Au (Rowdies)
- 1 m @ 18.51 g/t Au (Rowdies)

The company became debt free shortly after the end of the quarter, closing out the final repayment. Cash and gold at the end of the quarter was \$16.6 million[^].

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Managing Director Paul Cmrlec said

“The Nicolsons team has again delivered another consistent operational result during the March quarter, enabling the company to make the final payment to CBA early in April.

The operations team is clearly focussed increasing production from the Nicolsons underground mine and establishing ore supply from the soon to be developed Wagtail mine to optimise feed to the ore sorting circuit by the end of the year.

With the company now operating debt free, we look forward to the next 12 months as a period of strong cashflow generation as we benefit from the delivery of these major projects.”



Plate 1: Steinert Ore Sorter.

Enquiries

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^ Cash and gold includes \$12.86 million cash, 749.5 ounces gold at mint, 919.6 ounces gold in safe and 527.9 ounces GIC at closing gold price of \$1,727/oz.