



ASX Announcement

15 June 2018

Ore Sorter Operational and Projects Update

Pantoro Limited (**ASX:PNR**) (**Pantoro**) is pleased to advise that its recently installed ore sorter and crushing circuit has been commissioned and is operating to expectation. The new circuit has demonstrated reliable operation at approximately 90 tonnes per hour, which easily exceeds mill capacity with and without the ore sorter in operation.

The ore sorter has displayed expected performance in work completed to date with current sorting outcomes consistent with the test work completed prior to purchasing the unit. Test work results were previously released to the ASX on 12 December 2017 in an announcement titled "Ore sorting to optimise gold production at Nicolson's". Videos of the ore sorter in operation are available on Pantoro's website:

<http://www.pantoro.com.au/projects/halls-creek-gold-project/ore-sorter/>



Ore Sorter product belt feeding tertiary crusher



Ore Sorter in operation

Pantoro will continue to optimise the circuit and ore sorter operations in conjunction with Steinert, the equipment manufacturer. As more material is processed through the circuit it is considered that additional fine tuning may result in further improvements to sorted ore grades. The ore sorter assists the site to achieve increased production by removing waste from the mill feed which is currently operating at full capacity, and replacing it with additional ore.

Pantoro expects to be in a position to remove temporary mobile crushers which continue to provide capacity during circuit commissioning and optimisation from site by the end of the current quarter, substantially reducing current processing plant operating costs.

Other Projects

Pantoro has undertaken a number of additional major capital projects in parallel with the crushing and ore sorting circuit during the quarter.

- A 132 metre raisebore from surface to the southern decline at Nicolson's was completed. The three metre diameter raisebore will fulfil current life of mine ventilation requirements in conjunction with the existing ventilation shaft in the northern part of the mine.

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- A 2.5 metre tailings facility lift on TSF cell two is expected to be completed near the end of the quarter. The tailings facility lift will extend constructed site tailings capacity to approximately 18 months in conjunction with TSF cell one which is being filled at the current time.
- Works at Wagtail Underground are progressing well, with the area above the Wagtail North portal now extensively supported. The first development round at Wagtail Underground is expected to be taken early next week.

Commenting on the processing plant installations, Managing Director Paul Cmrlec said:

"The new crushing and ore sorting facilities at Nicolson's are a fantastic addition to the processing circuit. The fixed crushing capacity removes the need to maintain mobile crushers on site, substantially reducing costs.

The ore sorter is a major driver for attaining increased production rates, and early results have demonstrated the ability of the system to accurately differentiate between ore and waste from our operation. The ore sorter will come into its own as we ramp up production from both Nicolson's and Wagtail during the coming quarters.

The extensive capital investment undertaken during the quarter has placed the operation in a position to achieve production and cash generation growth targets during the coming year. We remain focussed on achieving production rates of 80,000-100,000 ounces per annum during the first quarter of calendar year 2019. With processing upgrades in place, the focus is now squarely on ramping up production rates from both Nicolson's and Wagtail."

Enquiries

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Forward Looking Statements

Certain statements in this announcement relate to the future, including forward looking statements relating to Pantoro's production and cost guidance. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Pantoro to be materially different from future results, performance or achievements expressed or implied by such statements. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. Other than required by law, neither Pantoro, their officers nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements will actually occur. You are cautioned not to place undue reliance on those statements.