



ASX Announcement
3 April 2018

Pantoro makes final payment to CBA and is debt free

Pantoro Limited (**PNR:ASX**) (**Pantoro**) is pleased to advise that it has arranged to make its final repayment under the gold pre-payment facility with the Commonwealth Bank of Australia (**CBA**) today. The payment was due at the end of April 2018, however the board made the decision to close out the facility repayments early.

The pre-payment facility was utilised to facilitate the construction of Nicolson's mine, and has been repaid at the rate of 500 ounces per month since December 2016. The finalisation of the facility will result in an additional free cashflow for the company of approximately \$2.6 million dollars per quarter at the current gold price of \$1,730 per ounce.

The additional free cashflow will enable Pantoro to complete the current processing plant upgrade and construction of the new Wagtail underground mine while continuing existing mining and processing operations at Nicolson's.

The processing plant upgrade, including ore sorting technology is well advanced with the ore sorter and its base in place at site and all required infrastructure ready for installation. The ore sorter and new tertiary crusher is expected to be operational during April 2018 with commissioning to be completed during the following two weeks.



Pantoro has also undertaken hedging with CBA entering contracts to October 2019. At present a total of 38,000 ounces to be delivered at an average price of \$1,724 per ounce. Pantoro has hedged 2,000 ounces per month in order to underwrite operating costs while ensuring strong leverage to the gold price.

Commenting on the finalisation of the CBA pre-payment facility, Managing Director Paul Cmrlec said "We are very pleased to have completed repayment of the gold prepayment facility ahead of schedule. Pantoro would like to thank CBA for its support during the past three years and looks forward to continuing the relationship through hedging arrangements.

The capital projects currently underway at site will take the Nicolson's operation to a new level of productivity and profitability in the near term, with everything continuing on the planned time line at the present time."

Enquiries

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