



PANTORO

Quarterly Report

Ending 31 December 2019

Key Highlights

- Pantoro's key growth project at Norseman (PNR 50%) continued to return outstanding drill results and major project development milestones are on track and progressing well.
- Total production for the quarter at Halls Creek was 9,403 ounces of gold. AISC (before accounting adjustments for stockpile movements) was \$1,940/oz. Unit costs were higher due to the lower than planned production.
- Major management changes were implemented during the quarter with Tom De Vries appointed as General Manager at Halls Creek. Maximising profitability at Halls Creek is the key focus for site and Pantoro group technical staff.
- Pantoro appointed Mr Wayne Zekulich as an independent non-executive director.
- Pantoro had \$31.7 million in cash and gold* at the end of the quarter and remains debt free.
- Major capital investments were made during the quarter including:
 - » \$4.1 in exploration and project development at Norseman;
 - » \$3.9 million in mine development and fixed plant; and
 - » \$1.0 million in exploration at Halls Creek.

Norseman Project

- Three drill rigs undertook extensive resource development and extensional drilling focussed on key Mineral Resources prior to the recommencement of production. All areas drilled to date have returned excellent results that are in-line with existing Mineral Resource models with additional results pending.
- Approval to re-enter the OK underground has been received from DMIRS, with drilling commencing in the March 2020 Quarter. Mine infrastructure is in excellent condition and approximately three months of drilling is planned to test 150 vertical metres below the existing decline with the aim of establishing a three year mine inventory.
- Drilling is expected to commence at Maybelle (including Lord Percy) and Cobbler during the quarter. Pantoro intends to substantially complete drilling of the planned initial production centres by the end of the next quarter (except OK mine which is intended to be completed during the following quarter). Mineral Resource modelling, mine design and Ore Reserve calculation will be undertaken systematically as drilling in each area is concluded.
- Como Engineering completed a scoping study for recommencement of processing at Norseman. The study recommended use of existing major processing components, including crushers and mills, in a new plant construction. The expected cost to construct the plant is \$25.5 million ($\pm 30\%$) with a nine month construction period. Detailed feasibility study works are underway in accordance with the project plan.

Halls Creek Project

- In addition to the appointment of Mr Tom De Vries a number of additional management changes have been implemented at the operations level, focussed on achieving consistent, profitable production.
- The Wagtail South open pit was completed during November 2019. As previously reported, the open pit did not perform to expectation and was a major driver to the site's under-performance compared with guidance during the past two quarters.
- Steps to increase production from the South side of the Nicolson's Underground Mine have been taken, including the acquisition of a pneumatic long hole drill and modified stoping methods. The benefits of these changes should be seen during the coming months.
- Wagtail North Underground has continued to reconcile higher than modelled and the new management has focussed on increasing production from the area.

Enquiries

Paul Cmrlec – Managing Director | Ph: +61 8 6263 1110 | Email: admin@pantoro.com.au

* Includes \$29.43 m cash, 1,040.57 ounces in safe and GIC @ \$2,173.85/oz.

Pantoro Limited
ABN 30 003 207 467

T: +61 8 6263 1110 | E: admin@pantoro.com.au | W: www.pantoro.com.au
PO Box 1353 West Perth WA 6872 | 1187 Hay Street, West Perth WA 6005

About Pantoro Limited



Pantoro is an Australian gold producer with its 100% owned Halls Creek Gold Project in the Kimberley Region of Western Australia and its recently acquired 50% owned Norseman Gold Project.

Halls Creek Project

The Halls Creek Project was developed by Pantoro during 2015, with the first gold pour completed during the same year. The project includes underground and open pit mining, and a modern CIP processing facility.

Pantoro owns the only commercial scale gold processing facility in the Kimberley Region of Western Australia, with the closest plant approximately 300 km to the south. The company has consolidated areas prospective for gold mineralisation in the region, and has acquired the Grants Creek and Mary River project areas during the past 18 months to compliment the Nicolson's production and exploration assets. In all, the company holds approximately 350 km² of prospective tenure in the Halls Creek Area. Pantoro is actively exploring at Nicolson's, Grants Creek, and Mary River with a focus on increasing the mine inventory for the project.

Norseman Gold Project

The Norseman Gold Project provides Pantoro with an exceptional platform for growth in the near term. The project tenure of approximately 1,000 km² covers nearly all of the historic Norseman Gold province which lies on the southern end of the productive Norseman – Wiluna

Greenstone belt. The project has produced over 5.5 million ounces of gold historically, and currently has a Measured, Indicated and Inferred Mineral Resource of 4.4 million ounces.

The Norseman Gold Project lies immediately adjacent to the Norseman township, and is infrastructure rich with office and work shop complexes, camp accommodation, site laboratory, 10MW power station, bore fields and a road network servicing all existing Mineral Resource area already in place. The existing processing facility requires refurbishment prior to operations.

The project presents a number of near term open pit and underground mining opportunities, and Pantoro is systematically advancing a number of near term project areas for mining ahead of recommencement of operations. The company is aiming to be in a position to recommence mining in the near term.

Norseman Gold Project (PNR 50%)

About the Norseman Gold Project

Pantoro Limited announced the major acquisition of 50% of the Norseman Gold Project in May 2019 and completion occurred on 9 July 2019. Pantoro is the manager of the unincorporated joint venture, and is responsible for defining and implementing work programs, and the day to day management of the operation.

The Norseman Gold Project is located in the Eastern Goldfields of Western Australia, at the southern end of the highly productive Norseman-Wiluna greenstone belt. The project lies approximately 725 km east of Perth, 200 km south of Kalgoorlie, and 200 km north of Esperance.

The current Mineral Resource is 4.4 million ounces of gold. Many of the Mineral Resources defined to date remain open along strike and at depth, and many of the Mineral Resources have only been tested to shallow depths. Mineral Resources have been estimated by Independent Expert HGS Australia Exploration Services. Pantoro is systematically drilling Mineral Resource areas and will update Mineral Resources and Ore Reserves as additional data becomes available. In addition, there are numerous anomalies and mineralisation occurrences which are yet to be tested adequately to be placed into Mineral Resources, with a number of highly prospective targets already identified.

The project comprises a number of near-contiguous mining tenements, most of which are pre-1994 Mining Leases which are free of native title. The tenure includes approximately 70 lineal kilometres of the highly prospective Norseman – Wiluna greenstone belt covering approximately 750 square kilometres.

The project is serviced by first class infrastructure at the project, local shire, and national infrastructure levels with everything required to commence mining already in place. Infrastructure is generally in good condition, however the processing plant requires refurbishment.

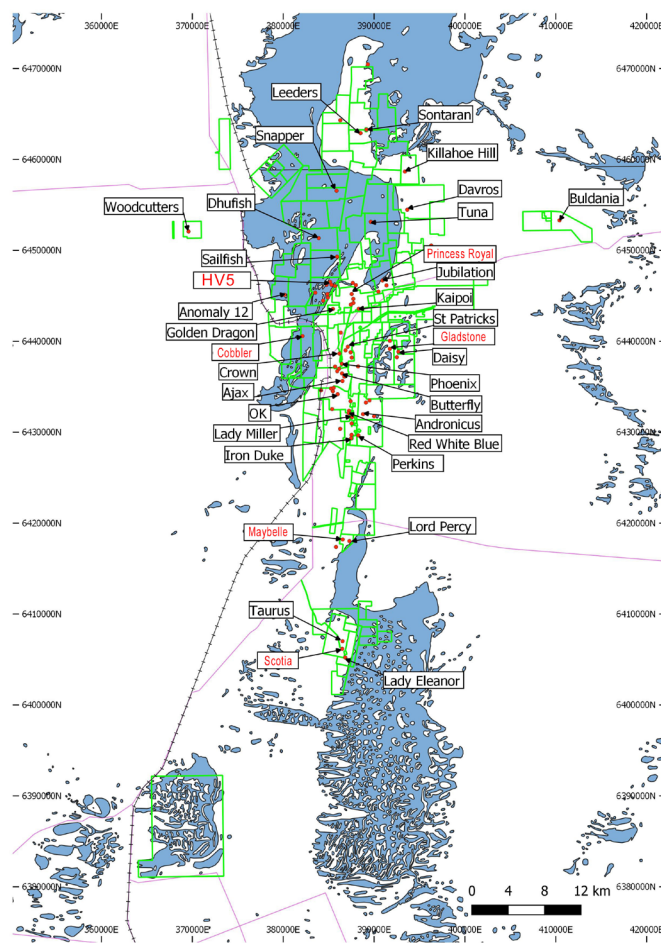
Historically, the Norseman Gold Project areas have produced over 5.5 million ounces of gold since operations began in 1935, and is one of, if not the highest grade fields within the Yilgarn Craton. Pantoro is focused on establishing a clear production development plan, and has commenced drilling and other works required to convert Mineral Resources to Ore Reserves.

Norseman Gold Project Activities Update

Exploration activity at Norseman was accelerated during the quarter in accordance with the project plan. Three drill rigs were in operation for the majority of the December 2019 quarter drilling both RC and diamond holes.

Significant bush fires in the region affected access to and from the site during the Christmas/New Year period, however caused minimal disruption to exploration activities due to scheduled breaks. The fire situation within the region continues to be monitored, with the company providing assistance with accommodation and messing for DFES personnel and other company resources and personnel to assist with containment activities.

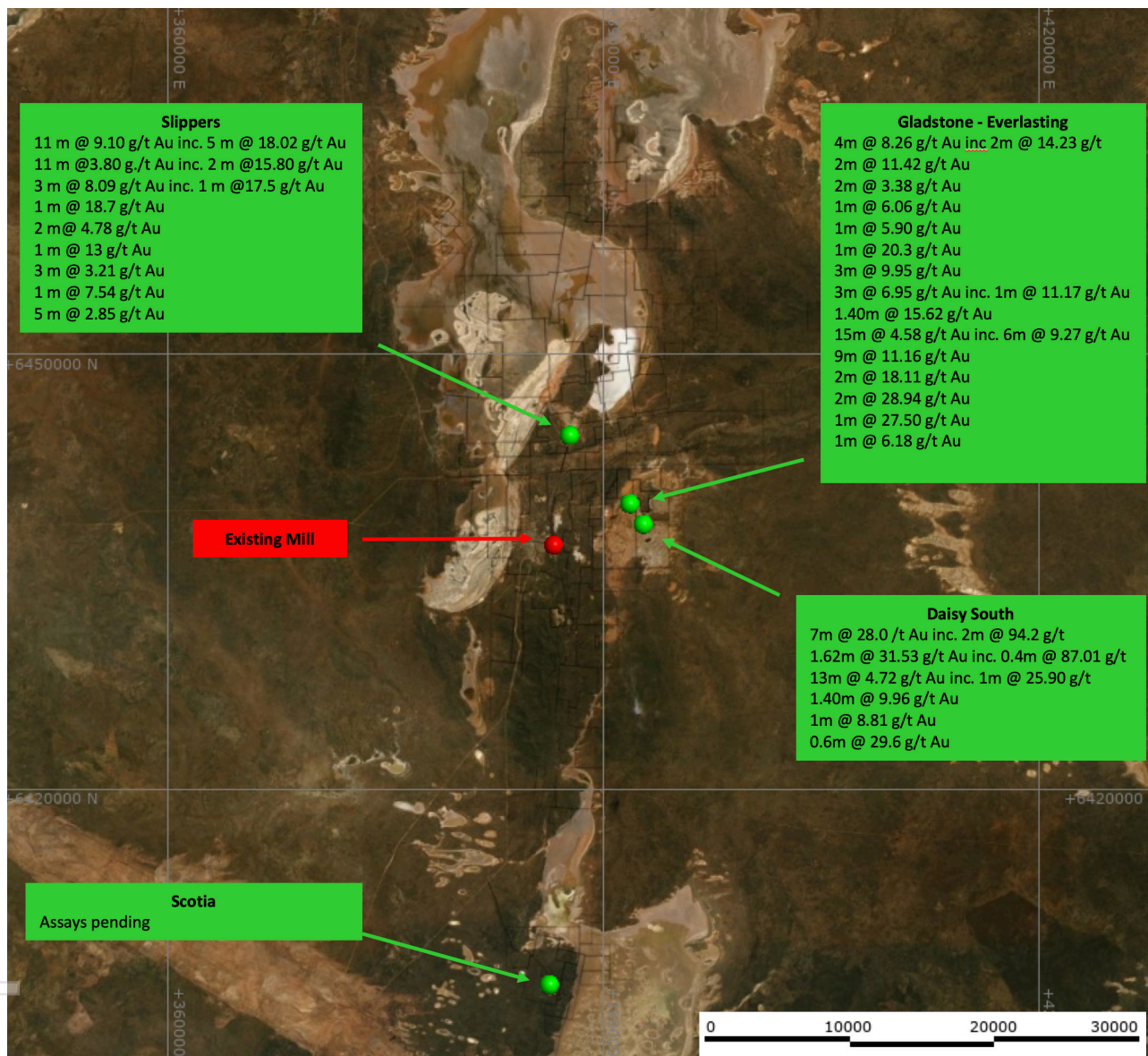
Recommencement of drilling activities following the Christmas break was slightly delayed due to the fires near Norseman. The first drill rig recommences work today, and two additional drill rigs expected to be operational next week.



Drilling

Pantoro has continued to receive excellent drilling results from all targets tested to date, confirming the quality and prospectively the Norseman field. Drilling during the quarter focused on Gladstone-Everlasting, Daisy South, and Scotia. Drilling has also commenced at HV5B and 5F. Results from Gladstone/Everlasting and Daisy South were released during the quarter with additional results expected to be released in the near term.

Drilling is well advanced and is progressing as expected. Pantoro is aiming to complete drilling of the planned initial production centres during the next two quarters, as set out in the "2019 AGM Presentation" released to the ASX on 22 November 2019. Initial drilling focus areas are shown in the figure below.



Location of deposits in current drill program and existing processing plant. Refer to Appendix 3 for References.

Gladstone-Everlasting

The Gladstone-Everlasting deposits are located approximately eight kilometres east of Norseman, Western Australia, within the mafic volcanic-dominated Penneshaw Formation of the Norseman Terrane.

Gold was first discovered in early 2000 during regional aircore drilling. The Gladstone and Gladstone South Open Pits were mined from January 2004 to March 2006 and produced an estimated 20,000 ounces from small open pits approximately 350 metres and 200 metres along strike respectively. Depth of mining was limited to approximately 40 metres in Gladstone and 50 metres in Gladstone South.

The current Mineral Resource of 252,000 ounces stretches approximately 1.7 km along strike, and 200 metres depth. The deposit is open both at depth and along strike.

An extensive infill and extensional drill program has been undertaken, confirming both high grade and lower grade zones of the Mineral Resource. Pantoro released initial results from the program on 25 November 2019 in an announcement titled "Drilling Confirms High Grade Mineralisation at Gladstone-Everlasting". Results reported to date include:

- 4 m @ 8.26 g/t Au inc. 2 m @ 14.23 g/t Au.
- 2 m @ 3.38 g/t Au.
- 1 m @ 5.90 g/t Au.
- 3 m @ 9.95 g/t Au.
- 1.40 m @ 15.62 g/t Au.
- 9 m @ 11.16 g/t Au.
- 2 m @ 28.94 g/t Au.
- 1 m @ 6.18 g/t Au.
- 2 m @ 11.42 g/t Au.
- 1 m @ 6.06 g/t Au.
- 1 m @ 20.3 g/t Au.
- 3 m @ 6.95 g/t Au inc. 1 m @ 11.17 g/t Au.
- 15 m @ 4.58 g/t Au inc. 6 m @ 9.27 g/t Au.
- 2 m @ 18.11 g/t Au.
- 1 m @ 27.50 g/t Au.

Drilling at Gladstone-Everlasting is ongoing, with completion expected during the first quarter of 2020.

Daisy South

Daisy South lies to the east of the Gladstone Everlasting deposit located approximately eight km east of the processing facility. Daisy South mineralisation is hosted within a sequence of massive to pillowed basalt that has been intruded by dolerite sills.

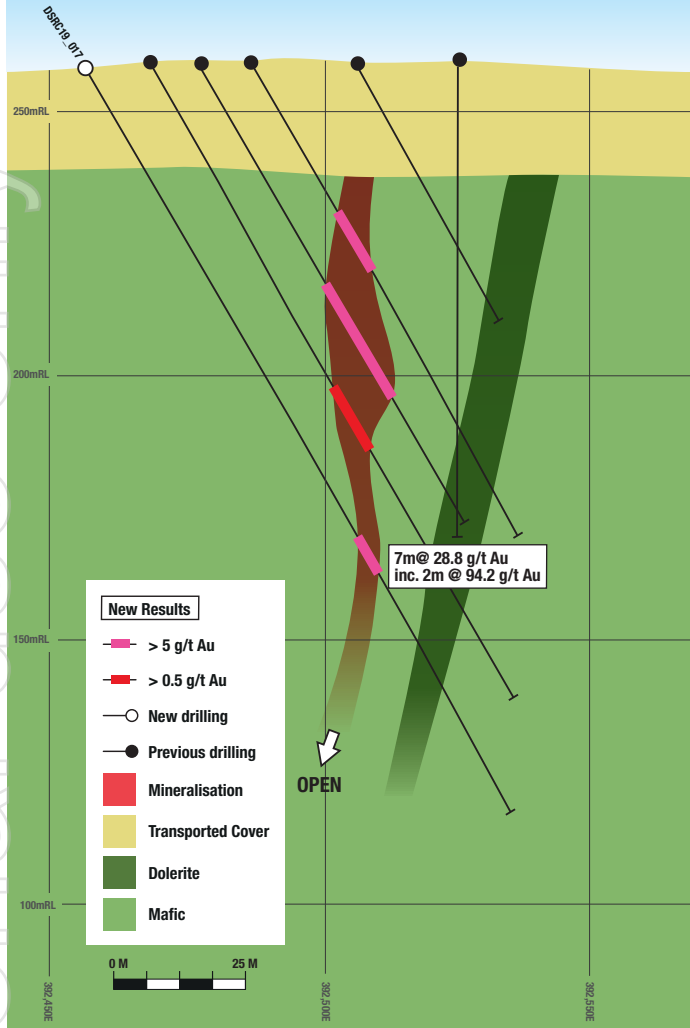
Folding and boudinage of the mineralised features is widely developed at Daisy South and is consistent with the mineralisation seen at the previously mined Daisy open pit. The Daisy open pit was developed from April 2002, and produced approximately 490,000 tonnes of ore at 4.03 g/t Au, for 63,000 ounces of gold.

A key aspect of the Daisy Open pit production was a large dilation zone which hosted a significant proportion of the gold mined. Based on current work it is considered the Daisy South deposit displays a similar ore zone geometry. Daisy South has not been mined previously.

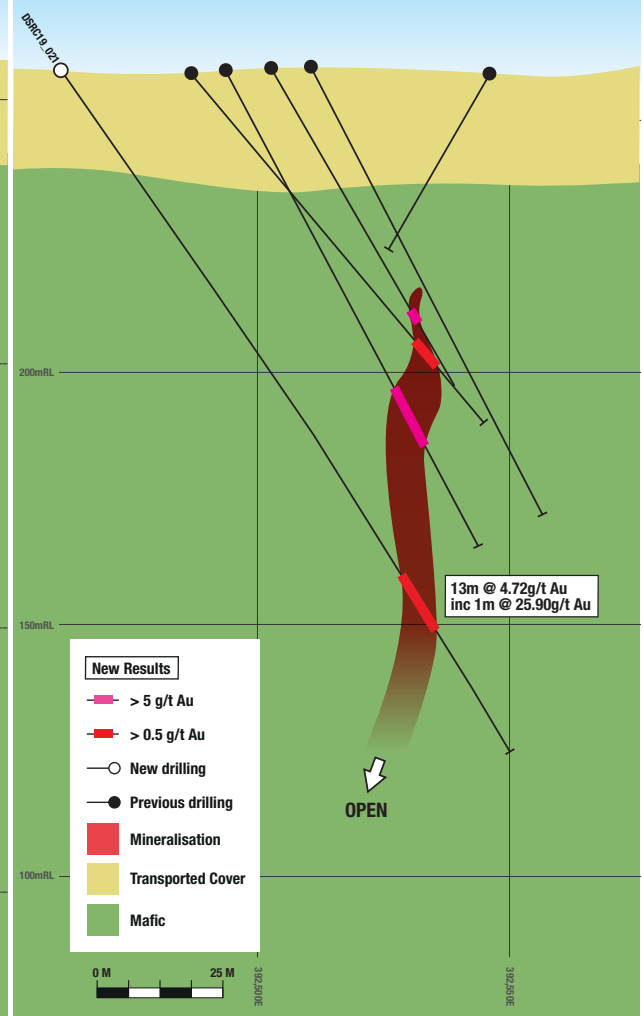
Drilling returned a number of high grade intersections both within the existing Mineral Resource area, and in extensions to the north. Results from the initial drilling program which were announced to the ASX on 14 November 2019 in an announcement titled "Outstanding Results from Initial Drilling at Daisy South" included:

- 7 m @ 28.8 g/t Au inc. 2 m @ 94.2 g/t Au.
- 1.62 m @ 31.53 g/t Au inc. 0.4 m @ 87.01 g/t Au.
- 13 m @ 4.72 g/t Au inc. 1 m @ 25.90 g/t Au.
- 1.40 m @ 9.96 g/t Au.
- 1 m @ 8.81 g/t Au.
- 0.6 m @ 29.6 g/t Au.

Daisy South Cross-Section
6438245N +/- 10m



Daisy South Cross-Section
6438300N +/- 10m



Additional drilling at Daisy South and Daisy was carried out following the announcement, with the program nearing completion.

OK Mine

The OK mine was one of the last underground mines operating at Norseman. The water level in the mine is only three levels from the bottom of the decline, and the decline is in excellent condition having been fully refurbished by the previous operator. The OK Mine produced at an average grade of 9.1g/t Au historically.

Planning for re-entry to facilitate diamond drilling to 150 metres below current levels is well advanced and approval to re-enter the mine for drilling purposes was received during December 2019. A three month drilling program comprising approximately 7,000 metres from underground platforms is expected to commence during the March 2019 quarter.

Processing Plant

Pantoro appointed Como Engineering to assess refurbishment requirements at the processing plant. Pantoro released the results of the assessment to the ASX on 12 November 2019 in an announcement titled "Norseman Processing Plant Options Review Outcomes". Key outcomes from the review were:

- Nominal 800,000 tonne per annum capacity, dependent on comminution properties of blended ore feed.
- Major equipment including crusher and mills in existing circuit to be retained and refurbished.
- All concrete, structures, electrical and services components to be replaced with new materials.
- Crushing circuit (including structures) and ROM pad to be retained in its current location with the remainder of the plant relocated to the south of the existing plant.
- Existing site infrastructure and services outside of the processing plant are suitable for use and greatly reduce project capital requirements.
- Estimated cost of \$25.5 million \pm 30% to complete refurbishment and rebuild.
- Estimated 33 week construction program from commencement.

Detailed inspection and testing of the existing plant components identified for re-use is planned for January 2020. Sterilisation and geotechnical drilling programs for the proposed plant site have been approved and preparations for the work are underway. Quotation for demolition of the existing processing plant areas not planned for refurbishment are also being sourced. Engineering for the detailed feasibility estimate will commence once these programs have been completed.

Confirmatory metallurgical testwork on the deposits expected to be mined during the initial years of production is also underway.

Halls Creek Project (PNR 100%)



The Halls Creek Project Location

The Halls Creek Project includes the Nicolsons and Wagtail Mines, (35 km south west of Halls Creek) and a pipeline of exploration and development prospects located near Halls Creek in the Kimberley Region of Western Australia.

Pantoro acquired the project during April 2014, and took possession of the site in May 2014 enacting its rapid development plan for the project. First production was achieved at Nicolsons in the September 2015 quarter. The mine was developed with a strategy to minimise pre-production capital and to aggressively grow production and the mine Mineral Resource base utilising early cashflows.

The project currently has a stated Mineral Resource of 394,000 ounces of gold as of 31 May 2019.

The project region has been sporadically explored over a number of years, however the area remains sparsely explored with minimal drill testing of prospects outside of the areas being targeted by Pantoro. Exploration by Pantoro has been highly successful in identifying additional Mineral Resources at Nicolsons and Wagtail, and high grade mineralization has

been noted throughout the tenement areas. The company is actively exploring for mineralisation extensions at Nicolsons and Wagtail, and a number of regional exploration targets. The company strategy is to continue profitable production from Nicolsons and Wagtail, and expanding Mineral Resources and Ore Reserves through an aggressive exploration strategy. Pantoro owns the only commercial scale processing plant in the Kimberley Region of Western Australia, providing a strategic advantage for acquisition and identification of additional deposits in the area.



Quarterly Results

Performance at Halls Creek has been below expectations during recent quarters, and the company has taken a number of steps to address the situation. A new General Manager, Mr Tom de Vries was appointed General Manager of the project in mid-November and a number of other operational changes have been made with a focus on ensuring consistent, profitable production is achieved.

A total of 9,403 ounces of gold was produced during the quarter at an all in sustaining cost of \$1,940 per ounce (\$2,014 per ounce after accounting treatment of stockpile movements). Total expenditure for the quarter reduced (excluding stockpile movements) by \$1.1 million with completion of open pit mining in November 2019. Expenditure and mining physicals during the quarter (and half year) have been generally in line with budget, with lower than planned grades adversely impacting unit costs.

	FY 2019		FY 2020	
Physical Summary	Q3	Q4	Q1	Q2
UG Ore Mined (t)	58,008	56,602	58,260	63,529
UG Grade Mined (g/t Au)	6.77	5.64	5.60	4.50
OP BCM Mined	42,147	222,095	193,210	38,836
OP Ore Mined (t)	160	3,091	4,919	6,263
OP Grade Mined (g/t Au)	5.12	5.18	8.90	6.29
Ore Processed (t)	50,370	55,801	54,343	58,456
Head Grade (g/t Au)	7.50	5.96	6.67	5.32
Recovery (%)	92.8%	89.5%	91.2%	94.0%
Gold Produced (oz)	11,280	9,557	10,631	9,403
Cost Summary (\$/oz)				
Production costs	\$1,054	\$1,389	\$1,432	\$1,642
Stockpile Adjustments	-\$23	\$52	-\$87	\$74
C1 Cash Cost	\$1,031	\$1,440	\$1,345	\$1,716
Royalties	\$47	\$51	\$39	\$59
Marketing/Cost of sales	\$5	\$5	\$5	\$6
Sustaining Capital	\$125	\$164	\$133	\$227
Corporate Costs	\$9	\$9	\$4	\$5
All-in Sustaining Costs	\$1,217	\$1,670	\$1,526	\$2,014
Major Project Capital	\$3.98M	\$7.42M	\$3.98M	\$1.74M
Exploration Cost	\$0.46M	\$1.18M	\$0.96M	\$1.02M
Project Capital	\$4.39M	\$8.60M	\$4.94M	\$2.76M

Underground Mine Progress

Development is continuing in both the North and South declines at Nicolsons Underground. Steps to increase production from the South side of the mine have been taken, including the acquisition of a pneumatic long hole drill and modified stoping methods. The benefits of these changes should be seen during the coming months.

In the North decline, development of high grade pods in the Anderson Lode has shown the pods to be shorter in strike than modelled based on exploration drilling results. Mined ounces in the bottom levels have reconciled lower than the Mineral Resource model due primarily to lower overall grades than modelled. Drilling late in the quarter identified high grade mineralisation approximately 80 meters to the North of current ore development on the lowest developed level of the mine (1925 level). The hole was drilled sub parallel to the known mineralised structure and confirmed potential for northern extensions to the Anderson Lode on the lower levels.

Development of a drill platform to confirm the presence of high grade mineralisation to the North of existing ore development was commenced and drill testing of potential extensions below and north of the current base of the Ore Reserve at the 1880 Level will commence during the first half of the March 2020 quarter. Results from the drill program are intended to be expedited and will influence the mine design in the lower levels of the Anderson Lode.

At Wagtail, drilling during the quarter identified additional high grade mineralisation along strike from the modelled Rowdies Lode, which was announced to the ASX on 21 October 2019 in a release titled "Wide High-Grade Intercepts at Rowdies".

Results from the Rowdies drilling included:

- 2.20 m @ 22.5 g/t Au.
- 2.63 m @ 35.8 g/t Au.
- 3.05 m @ 11.9 g/t Au inc. 0.3 m @ 63.8 g/t Au.
- 5.70 m @ 19.6 g/t Au inc. 0.38 m @ 88 g/t Au.
- 3.55 m @ 9.31 g/t Au inc. 0.41 m @ 14.6 g/t Au.
- 4.10 m @ 19.2 g/t Au inc. 0.7 m @ 35.1 g/t Au & 0.68 m @ 58.2 g/t Au.
- 1.08 m @ 11.97 g/t Au inc. 0.4 m @ 22.6 g/t Au.
- 5.66 m @ 12.97 g/t Au inc. 0.81 m @ 38.5 g/t Au, 0.49 m @ 45.4 g/t Au & 0.55 m @ 24.2 g/t Au.
- 9.80 m @ 8.83 g/t Au inc. 0.7 m @ 34.2 g/t Au & 0.28 m @ 59.4 g/t Au.
- 1.9 m @ 8.62 g/t Au.

Ore zones at Wagtail and Rowdies have continued to reveal a number of short range high grade pods along the strike of the orebodies. While the ramp up in production has been slower than anticipated at Wagtail, total gold in the system has reconciled higher than previously modelled and the mine is expected to be an important contributor to overall site production for the coming periods.

Wagtail South Open Pit Cutback

The Wagtail South open pit cutback was completed during November 2019. As reported previously, the open pit cut back performed below expectation, and was a major driver to the sites under-performance compared to guidance during the past six months. There are no immediate plans for additional open pits at Nicolson's, however drilling from surface is focused on prospects with near term plant feed potential.

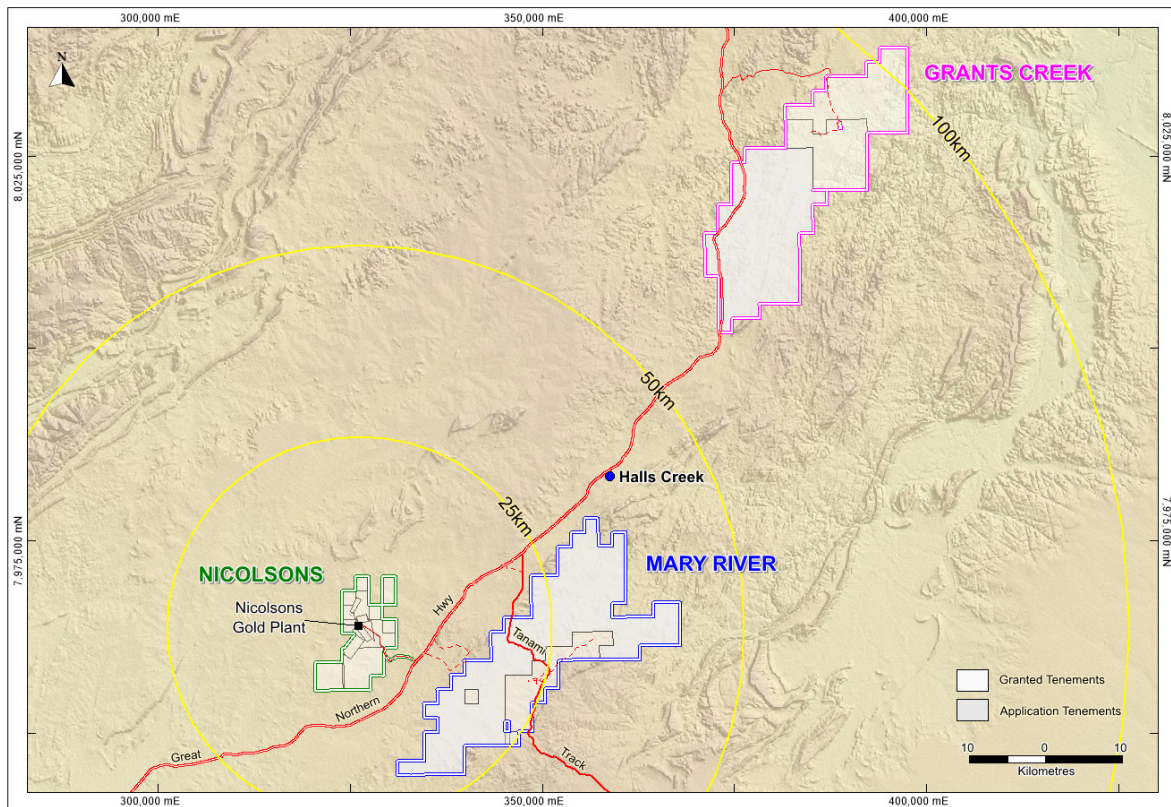
Processing Plant

The processing plant operated well during the quarter with 58,456 tonnes processed at a head grade of 5.32 g/t Au and utilisation of 98.2%. Recovery during the quarter improved to 94% with an ongoing focus on recovery optimisation.

Water security issues resulting from the current extreme drought in the Kimberley Region and Australia generally were substantially addressed with additional bores installed late in the September quarter. The additional sources provided adequate water for the site. To date there has been a single rain event of sufficient magnitude to harvest water into site storages. Significant rain is late compared with previous wet seasons and water levels continue to be monitored with no immediate concern.

Halls Creek Regional Exploration

Pantoro acquired two regional projects during the 2017/2018 financial year, named Grants Creek, and Mary River. The projects are approximately 100 km and 25 km from Nicolsons respectively and are highly prospective for the discovery of additional ore suitable for processing at Nicolsons. Both projects are within trucking distance of the Nicolsons plant.



Both of the project areas were historically mined during the 1880's, and have seen limited exploration work in the modern era. Grants Creek is however reasonably well advanced with known mineralisation at Perseverance and Star of the Kimberley prospects the subject of a Notice of Intent to Mine during the 1990's. Drilling campaigns were undertaken during the 1980's, 1990's, and 2000's. Based on information presented in government databases, along with field inspection of the outcropping ore, the style of known mineralisation at Grants Creek appears to be of a similar nature to that seen at Nicolsons.

Grants Creek

The maiden Inferred Mineral Resource for Perseverance and Star of Kimberley was announced to the ASX on 27 September 2019 in an announcement titled "Halls Creek Project Mineral Resource and Ore Reserve Update".

While the maiden Inferred Mineral Resource is of modest size at 179,000 tonnes @ 2.4 g/t Au for 14,000 ounces, Pantoro believes that the Grants Creek field holds strong potential for substantial growth through additional exploration and drilling activities.

Additional drilling is planned for known mineralised targets, and a wider reconnaissance program is to be undertaken along the entire mineralised trend focusing on zones accessed in an extensive network of historical shafts mined during the 1880's. No additional work will be undertaken until after the completion of the current wet season.

Mary River

Pantoro reported additional wide, low grade intersections from Mary River during the quarter. The information reported to the ASX on 31 October 2019 in an announcement titled "Mary River Drilling Highlights Potential for a Large System" with results including:

- 14 m @ 1.23 g/t Au inc. 2 m @ 5.33 g/t Au.
- 13 m @ 0.97 g/t Au.
- 4 m @ 3.35 g/t Au.
- 4 m @ 2.24 g/t Au.
- 15.7 m @ 0.89 g/t Au.
- 17.0 m @ 0.74 g/t Au.

A program in the north eastern Part of the Mary River tenement is to be undertaken under the DMIRS EIS co- funding scheme following the current wet season.

Mineral Resources & Ore Reserves

Pantoro completed its annual Mineral Resource and Ore Reserve update for Halls Creek during the September 2019 quarter and provided full details to the ASX on 27 September 2019 in an announcement titled "Halls Creek Project Mineral Resource and Ore Reserve Update".

The total Ore Reserve now stands at 844,000 tonnes @ 6.59 g/t for 179,000 ounces as at 31 May 2019.

Pantoro holds a large Mineral Resource inventory between Halls Creek and Norseman. The company's total Mineral Resource is set out in the table below.

Measured			Indicated			Inferred			Total		
Tonnes (MT)	Grade (g/t)	Ounces (Moz)	Tonnes (MT)	Grade (g/t)	Ounces (Moz)	Tonnes (MT)	Grade (g/t)	Ounces (Moz)	Tonnes (MT)	Grade (g/t)	Ounces (Moz)
2.5	2.83	0.2	7.3	4.16	1.0	9.4	4.38	1.3	19.2	4.23	2.6

Pantoro's Total Mineral Resource includes Pantoro's 50% share of the Norseman Gold Project Mineral Resource. See Appendix 2 for full details of the total Mineral Resource.

Papua New Guinea Projects

Garaina Project (EL2518), Morobe Province, Papua New Guinea (100%)

The Garaina Project is Pantoro's main exploration property in PNG, located 100 km southeast of the Hidden Valley Mine and Wau Town, in the Morobe province, covering an area of approximately 380 km². The tenement area covers the suture zone between the Owen Stanley Metamorphic thrust to the west and the Papuan Ultramafic to the east. Most of the EL is underlain by the Owen Stanley metamorphic complex, which is common to the majority of the known major mineral deposits in PNG.

PNR discovered significant surface mineralisation at the Kusi Prospect in January 2011 and since that time has completed extensive exploration programs with exciting surface exploration and drilling results.

Field campaigns have identified mineralisation and alteration signatures similar to those seen at the Kusi Prospect as far north as the Sim Prospect, and as far west as the Kasuma Prospect.

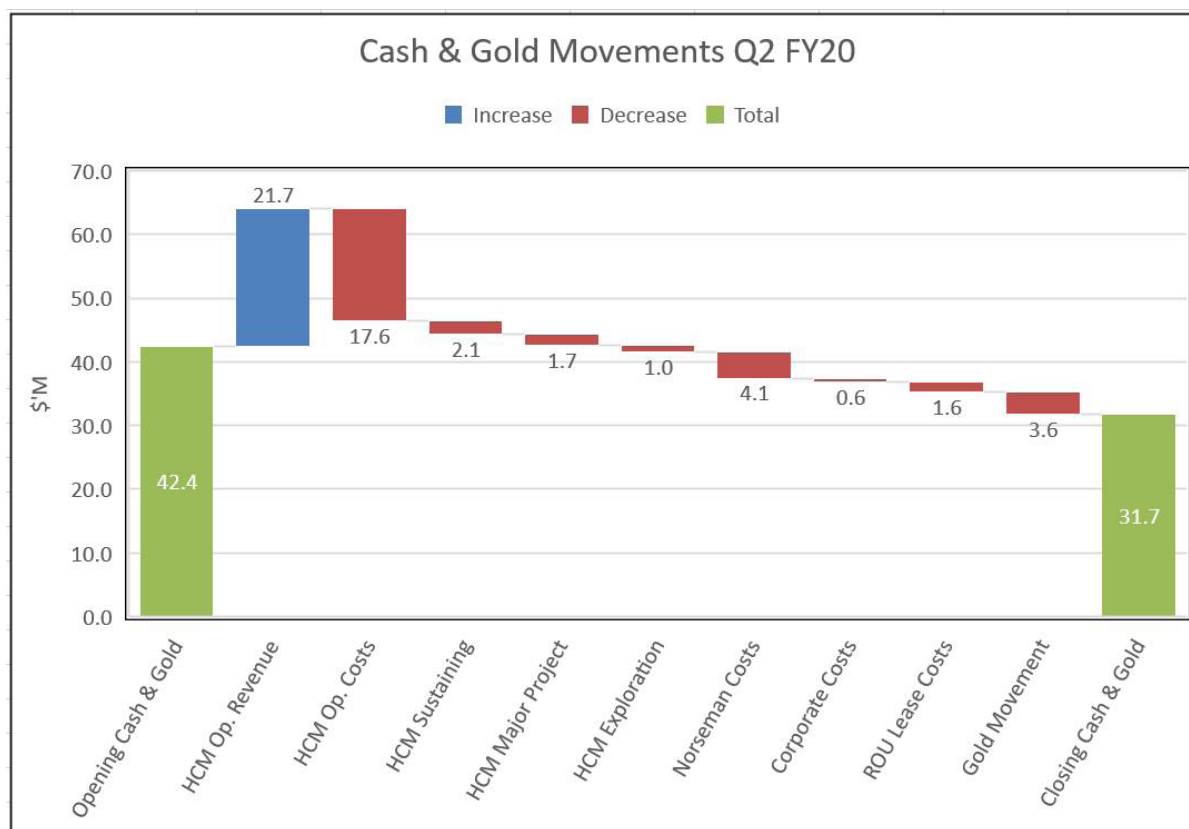
Pantoro did not complete additional field work during the quarter continues to seek partnering and/or divestment options for the project.

Corporate Information

Pantoro holds a strong balance sheet with no debt and cash and gold to the value of \$31.7 million.

Pantoro received a final stamp duty determination for the acquisition of the Halls Creek project in 2014 during the quarter. Stamp duty for the final and previously unassessed portion of the transaction is \$52,110, payable in January 2020. Stamp duty determination for the Norseman Project transaction remains outstanding.

Cashflow for the quarter is set out in the waterfall chart below. Note that the chart sets out actual cash flow and gold movements and does not take into account changes in creditors positions or notional cashflow from production not yet realized. The company remains debt free apart from normal trade creditors.



A total of 16,640,000 employee options and performance rights expired unexercised during the quarter. The company structure as at 31 December 2019 is provided in the table below.

Cash & Gold	\$31.7 million*
Debt	Nil
Ordinary Shares (PNR)	1,175,943,929
Employee Options	12,791,876 (various exercise prices and expiry dates)

* Includes \$29.4 m cash and metals account, 1,041 ounces in safe and GIC @ \$2,173.85/oz .

The company's hedge position is set out in the table below.

Period	Hedge Position	Hedge Price
January 2020 – April 2020	2,000 Oz per Month	\$1,800/Oz

Appendix 1 – Interests in Mining Tenements

The following information is made available in accordance with ASX Listing Rule 5.3.3.

Tenements Acquired or Disposed During the Quarter

Halls Creek, Western Australia	Interest	Nature of Change
E80/5321	100%	Application Withdrawn
E80/5185	100%	Granted
E80/5324	100%	Granted
E80/5451	100%	Application
E80/5456	100%	Application
G80/23	100%	Application
L80/97	100%	Application

Norseman, Western Australia	Interest	Nature of Change
P63/2138	50%	Granted
P63/2139	50%	Granted
P63/2140	50%	Granted
P63/2141	50%	Granted
P63/2142	50%	Granted
M63/326	50%	Surrendered

Tenements held at the end of the Quarter

Halls Creek, Western Australia	Status	Interest %
E80/5451	Application	100%
E80/5456	Application	100%
G80/23	Application	100%
L80/97	Application	100%
E80/2601	Granted	100%
E80/3861	Granted	100%
E80/4458	Granted	100%
E80/4459	Granted	100%
E80/4952	Granted	100%
E80/4958	Granted	100%
E80/4991	Granted	100%
E80/5003	Granted	100%
E80/5004	Granted	100%
E80/5005	Granted	100%
E80/5006	Granted	100%
E80/5054	Granted	100%
E80/5150	Granted	100%
E80/5185	Granted	100%
E80/5324	Granted	100%

Halls Creek, Western Australia	Status	Interest %
L80/70	Granted	100%
L80/71	Granted	100%
L80/94	Granted	100%
M80/343	Granted	100%
M80/355	Granted	100%
M80/359	Granted	100%
M80/362	Granted	100%
M80/471	Granted	100%
M80/503	Granted	100%
P80/1842	Granted	100%
P80/1843	Granted	100%
P80/1844	Granted	100%
P80/1845	Granted	100%
P80/1846	Granted	100%

Norseman, Western Australia	Status	Interest %
E63/1759	Application	50%
E63/1919	Application	50%
E63/1920	Application	50%
E63/1921	Application	50%
E63/1969	Application	50%
E63/1970	Application	50%
E63/1975	Application	50%
L63/74	Application	50%
M63/659	Application	50%
M63/666	Application	50%
M63/668	Application	50%
E63/1042	Granted	50%
E63/1640	Granted	50%
E63/1641	Granted	50%
E63/1642	Granted	50%
L63/12	Granted	50%
L63/13	Granted	50%
L63/14	Granted	50%
L63/17	Granted	50%
L63/19	Granted	50%
L63/32	Granted	50%
L63/34	Granted	50%
L63/35	Granted	50%
L63/36	Granted	50%

Norseman, Western Australia	Status	Interest %
L63/37	Granted	50%
L63/38	Granted	50%
L63/39	Granted	50%
L63/40	Granted	50%
L63/41	Granted	50%
L63/56	Granted	50%
M63/100	Granted	50%
M63/105	Granted	50%
M63/108	Granted	50%
M63/11	Granted	50%
M63/110	Granted	50%
M63/112	Granted	50%
M63/114	Granted	50%
M63/115	Granted	50%
M63/116	Granted	50%
M63/118	Granted	50%
M63/119	Granted	50%
M63/120	Granted	50%
M63/122	Granted	50%
M63/125	Granted	50%
M63/126	Granted	50%
M63/127	Granted	50%
M63/128	Granted	50%
M63/129	Granted	50%
M63/13	Granted	50%
M63/130	Granted	50%
M63/133	Granted	50%
M63/134	Granted	50%
M63/136	Granted	50%
M63/137	Granted	50%
M63/138	Granted	50%
M63/14	Granted	50%
M63/140	Granted	50%
M63/141	Granted	50%
M63/142	Granted	50%
M63/145	Granted	50%
M63/15	Granted	50%
M63/152	Granted	50%
M63/155	Granted	50%
M63/156	Granted	50%

Norseman, Western Australia	Status	Interest %
M63/160	Granted	50%
M63/164	Granted	50%
M63/173	Granted	50%
M63/174	Granted	50%
M63/178	Granted	50%
M63/180	Granted	50%
M63/182	Granted	50%
M63/184	Granted	50%
M63/187	Granted	50%
M63/189	Granted	50%
M63/190	Granted	50%
M63/204	Granted	50%
M63/207	Granted	50%
M63/213	Granted	50%
M63/214	Granted	50%
M63/218	Granted	50%
M63/219	Granted	50%
M63/220	Granted	50%
M63/224	Granted	50%
M63/231	Granted	50%
M63/232	Granted	50%
M63/233	Granted	50%
M63/257	Granted	50%
M63/258	Granted	50%
M63/259	Granted	50%
M63/26	Granted	50%
M63/265	Granted	50%
M63/272	Granted	50%
M63/273	Granted	50%
M63/274	Granted	50%
M63/275	Granted	50%
M63/29	Granted	50%
M63/315	Granted	50%
M63/316	Granted	50%
M63/325	Granted	50%
M63/327	Granted	50%
M63/35	Granted	50%
M63/36	Granted	50%
M63/40	Granted	50%
M63/41	Granted	50%

Norseman, Western Australia	Status	Interest %
M63/42	Granted	50%
M63/43	Granted	50%
M63/44	Granted	50%
M63/45	Granted	50%
M63/46	Granted	50%
M63/47	Granted	50%
M63/48	Granted	50%
M63/49	Granted	50%
M63/50	Granted	50%
M63/51	Granted	50%
M63/52	Granted	50%
M63/526	Granted	50%
M63/53	Granted	50%
M63/54	Granted	50%
M63/55	Granted	50%
M63/56	Granted	50%
M63/57	Granted	50%
M63/58	Granted	50%
M63/59	Granted	50%
M63/60	Granted	50%
M63/61	Granted	50%
M63/62	Granted	50%
M63/63	Granted	50%
M63/64	Granted	50%
M63/65	Granted	50%
M63/66	Granted	50%
M63/67	Granted	50%
M63/68	Granted	50%
M63/69	Granted	50%
M63/88	Granted	50%
M63/9	Granted	50%
M63/96	Granted	50%
M63/99	Granted	50%
P63/1391	Granted	50%
P63/1392	Granted	50%
P63/1393	Granted	50%
P63/1779	Granted	50%
P63/2003	Granted	50%
P63/2004	Granted	50%
P63/2010	Granted	50%

Norseman, Western Australia	Status	Interest %
P63/2089	Granted	50%
P63/2138	Granted	50%
P63/2139	Granted	50%
P63/2140	Granted	50%
P63/2141	Granted	50%
P63/2142	Granted	50%
Papua New Guinea	Status	Interest %
EL 2518	Granted	100%
EL 2321	Granted	100%

Appendix 2 – Mineral Resources

Halls Creek Project Mineral Resource

	Measured			Indicated			Inferred			Total		
	Tonnes (Kt)	Grade	Ounces (Koz)	Tonnes (Kt)	Grade	Ounces (Moz)	Tonnes (Kt)	Grade	Ounces (Koz)	Tonnes (M)	Grade	Ounces (Koz)
Halls Creek Project	310	10.3	102	879	7.5	213	442	5.5	78	1631	7.5	394

Norseman Gold Project Mineral Resource

	Measured			Indicated			Inferred			Total		
	Tonnes (M)	Grade	Ounces (Moz)	Tonnes (M)	Grade	Ounces (Moz)	Tonnes (M)	Grade	Ounces (Moz)	Tonnes (M)	Grade	Ounces (Moz)
Norseman Underground	0.3	13.9	0.13	1.34	17.9	0.77	2.53	14.1	1.15	4.17	15.3	2.05
Norsman Surface	4.31	0.8	0.11	11.37	2.0	0.74	15.68	3.50	1.34	31.35	2.3	2.36

Pantoro has a 50% share of the Central Norseman Gold Project Mineral Resource.

Appendix 3 – Compliance Statements

Halls Creek Project and Norseman Project – Exploration Targets, Exploration Results

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Scott Huffadine (B.Sc. (Hons)), a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Huffadine is a Director and full time employee of the company. Mr Huffadine is eligible to participate in short and long term incentive plans of and holds shares, options and performance rights in the Company as has been previously disclosed. Mr Huffadine has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Huffadine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Halls Creek Project – Mineral Resources & Ore Reserves

The information relating to Mineral Resources and Ore Reserves is extracted from a report entitled 'Halls Creek Project Mineral Resource & Ore Reserve Update' created on 27 September 2019 and available to view on Pantoro's website (www.pantoro.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Norseman Project – Mineral Resources & Ore Reserves

The information in this report that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Mr Andrew Hawker (B.Sc. (Hons)), a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Hawker is an independent consultant to CNGP and is a director of HGS Australia Exploration Services which is the entity providing services to CNGP. HGS Australia Exploration Services is retained by CNGP under industry standard commercial consulting rates. Mr Hawker has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hawker consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Slippers Drilling Results

The information is extracted from the report entitled 'Successful Start to Norseman Drilling Campaign' created on 9 September 2019 and is available to view on Pantoro's website (www.pantoro.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

Daisy South Drilling Results

The information is extracted from the report entitled 'Outstanding Results from Initial Drilling at Daisy South' created on 14 November 2019 and is available to view on Pantoro's website (www.pantoro.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

Gladstone-Everlasting Drilling Results

The information is extracted from the report entitled 'Drilling Confirms High Grade Mineralisation at Gladstone-Everlasting' created on 25 November 2019 and is available to view on Pantoro's website (www.pantoro.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

Rowdies Drilling Results

The information is extracted from the report entitled 'Wide High-Grade Intercepts at Rowdies' created on 21 October 2019 and is available to view on Pantoro's website (www.pantoro.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

Mary River Drilling Results

The information is extracted from the report entitled 'Mary River Drilling Highlights Potential for a Large System' created on 31 October 2019 and is available to view on Pantoro's website (www.pantoro.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

Forward Looking Statements

Certain statements in this report relate to the future, including forward looking statements relating to Pantoro's financial position, strategy and expected operating results. 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Pantoro Limited

ABN

30 003 207 467

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	21,655	38,904
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	(3,803)	(9,276)
	(c) production	(12,337)	(22,821)
	(d) staff costs	(5,421)	(10,833)
	(e) administration and corporate costs	(282)	(552)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	152	377
1.5	Interest and other costs of finance paid	(11)	(22)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(47)	(4,223)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	(7,500)
	(b) tenements	-	-
	(c) property, plant and equipment	(1,184)	(2,033)
	(d) exploration & evaluation (if capitalised)	(4,028)	(6,839)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	13	13
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(5,199)	(16,359)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	5	5
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(253)	(524)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (ROU lease payments)	(1,561)	(3,160)
3.10	Net cash from / (used in) financing activities	(1,809)	(3,679)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	36,489	53,696
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(47)	(4,223)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,199)	(16,359)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,809)	(3,679)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	(1)
4.6	Cash and cash equivalents at end of period	29,434	29,434

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	534	3,766
5.2	Call deposits	28,900	32,723
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	29,434	36,489

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

277

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.5 Unused financing facilities available at quarter end

-

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities**\$A'000**

8.1	Net cash from / (used in) operating activities (Item 1.9)	(47)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(4,028)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(4,075)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	29,434
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	29,434
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	7

- 8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 16 January 2020

Authorised by: David Okeby
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.