



ASX Announcement
7 August 2020

Capital Raising for up to \$55 Million

Pantoro Limited (**ASX:PNR**) (**Pantoro**) is pleased to announce an A\$55 million capital raising comprising:

- \$50 million in firm commitments under a placement at an issue price of 24 cents per share to institutional and sophisticated investors under ASX listing rules 7.1 and 7.1A.
- A share purchase plan to raise up to \$5 million will be undertaken on the same terms to provide access to the placement for existing shareholders.
- The share purchase plan will be available to all existing Pantoro shareholders with a registered address in Australia or New Zealand. Pantoro will announce the formal offer and share purchase plan terms shortly. The record date for the share purchase plan will be 6 August 2020.
- The placement was made to existing shareholders and new strategic institutional investors.

The capital raising places Pantoro in a financially strong position as it accelerates activities at its 50% owned Norseman Gold Project.

The funds, in combination with cashflows from the Halls Creek Project (PNR 100%) will enable Pantoro to maintain its aggressive drilling program while progressing with development of the Norseman Gold Project.

The Definitive Feasibility Study for the Norseman Gold Project is nearing completion, and Pantoro intends to progress to tender, detailed engineering and construction as soon as possible.

The intended use of funds from the placement includes:

- Mineral Resource and Ore Reserve growth (~\$10 million);
- New greenfields exploration and extension to existing mining areas (~\$15 million);
- Project development works (~\$15 million);
- Project flexibility and working capital (~\$15 million).

The initial focus of ongoing exploration and Resource drilling at the Norseman Gold Project is planned to focus on the following key areas:

- Expanded drilling program at the Scotia Mining Centre to:
 - » define extensions to the recently announced Panda discovery;
 - » strike extensions to the Lady Eleanor and Scotia orebodies ;
 - » bring high grade depth extensions into Ore Reserve status.
- Additional drilling at the Princess Royal Mining Centre where a number of historical workings (from the 1930's) remain untested with modern drilling;
- Exploration with the Main Field area at Norseman. Main Field has historically produced more than half of the six million ounces produced from the project. Historical mined grades from the Main Field area averaged 13 g/t Au.
- Continued exploration and drilling on Lake Cowan, with follow up drilling at the Sailfish prospect, where the company recently intersected 8.1 m @ 67.29 g/t Au (see ASX release dated 21 July 2020).

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Pantoro announced the acquisition of a 50% in interest in the Norseman Gold Project in May 2019 with initial completion occurring in July 2019.

Pantoro has rapidly advanced the Norseman Gold Project since completing the initial acquisition, sole funding approximately \$23M of the first \$50M of project expenditure. Pantoro retains a first right of first refusal to the other 50% of the joint venture that it does not already own.

In addition to funds raised in this placement, Pantoro's Halls Creek operations are continuing to generate positive cashflow. The combination of cashflow from production and the new funds positions the company to fund its share of the project development cost.

Details of capital requirements for the Norseman Gold Project will be detailed to the ASX upon completion of Definitive Feasibility Study.

Commenting on the equity placement, Managing Director Paul Cmrlec said:

"The placement was strongly supported from institutional shareholders. The result reflects the quality of the Norseman Gold Project which has been demonstrated through drilling advised via numerous ASX releases during the past year. We thank our existing shareholders for their ongoing support and welcome new shareholders as we continue to aggressively advance the Norseman Gold Project to development."

Placement

The placement was made to institutional and sophisticated investors under ASX Listing Rule (LR) 7.1 and 7.1A. 16,546,960 new shares were issued under LR 7.1 and 41,786,373 new shares under LR 7.1A. An Appendix 3B for the proposed issue of securities will follow this announcement.

Allionaut acted as Sole Lead Manager to the Placement and Tamesis Partners were Co-Manager (Europe).

Enquiries

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This announcement was authorised for release by Paul Cmrlec, Managing Director.