



ASX Announcement
10 February 2021

EPC Contract Awarded to GR Engineering for Norseman Gold Project

Pantoro Limited (**ASX:PNR**) (**Pantoro**) is pleased to advise that it has provided a Letter of Intent for award of engineering, procurement and construction works for the processing facility at the Norseman Gold Project to GR Engineering Services (**ASX:GNG**) (**GRES**). Detailed engineering works will commence immediately and orders will be placed for long lead items including the 3.3 MW ball mill.

Contract documentation is being finalised and is expected to be executed before the end of February 2021. The contract value is approximately \$57M and will be awarded as a guaranteed maximum price contract. The \$57M contract value is inclusive of the crushing circuit associated with the plant. The DFS announced in October 2020 contemplated a build-own-operate-transfer (BOOT) for the crusher with the transfer planned in year three. The upfront purchase is superior on an NPV basis relative to the BOOT arrangement.

Separately, demolition works for the existing plant on site have been awarded with commencement of site works planned for mid-February.

Commenting on the award, Managing Director Paul Cmrlec said:

"The competitive tender process drew a number of quality submissions reflecting the quality of the project and of the preparatory work completed as part of the DFS.

We are pleased that GR Engineering Services (GRES) will undertake work with their proven track record in new processing plant builds in recent years. GRES has been the dominant supplier of new processing plant builds in Western Australia in recent times, and we look forward to drawing on their experience in construction of the plant at Norseman."

About the Norseman Gold Project

Pantoro Limited acquired 50% of the Norseman Gold Project in 2019. Pantoro is the manager of the unincorporated joint venture, and is responsible for defining and implementing the exploration and development 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 4.2 million ounces of gold with an Ore Reserve of 602,000 ounces. Pantoro announced a maiden Ore Reserve on the Norseman Project in conjunction with its Phase One DFS on 12 October 2020. Many of the Mineral Resources defined to date remain open along strike and at depth. In addition, there are numerous anomalies and mineralisation occurrences with a number of highly prospective targets already identified.

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 and Pantoro has awarded the EPC contract for the engineering, procurement and construction works for the processing facility.

Pantoro's interest in the Norseman Gold Project is secured through a mortgage over the entire project tenure as well as a priority deed ranking Pantoro's security interest first.

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.

Enquiries

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

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