



**PANTORO**

# Quarterly Report

Ending 30 September 2021

## Strong cashflow from Halls Creek continues to underwrite development at Norseman

### Key Highlights

#### Norseman Project (Pantoro 50%)

- Project approvals were finalised in the first week of October 2021.
- GR Engineering mobilised to site and plant construction works commenced immediately upon receiving approvals.
- Excellent drilling results at Green Lantern (Scotia Mining Centre) culminated in a maiden Mineral Resource Estimate and Ore Reserve Calculation.
- Outstanding first pass results from the Norseman Mainfield demonstrating large zones of mineralisation not previously mined.

#### Halls Creek Project (Pantoro 100%)

- Production of 9,473 ounces with AISC of \$1,435/Oz. Pleasingly, AISC was below guidance and production was within guidance.
- Project cashflow of \$4.6M inclusive of all capital and exploration costs. Cashflow exceeded guidance.
- Wide zone of platinum group element (PGE) mineralisation identified from surface approximately 5km south of Nicolsons Mine Infrastructure.
- Annual Mineral Resource and Ore Reserve statement released, confirming ongoing replacement of mining depletion, and extension to mine life. The current Ore Reserve at Nicolsons is 877,000 tonnes @ 4.8 g/t Au for 136,000 ounces.
- Exploration drilling undertaken at the Slattery discovery (500 meters east of Nicolsons mine), Mary River, and Lamboo PGE deposit. Drilling at Grants Creek currently underway.

#### Corporate

- \$30 million corporate debt facility executed with Global Credit Investments. Funds received subsequent to the end of the quarter.
- Final payment of \$10 million for acquisition of 50% of the Norseman gold project made in July 2021.
- Acquisition of 19.9% of Maximus Resources (ASX:MXR) for consideration of \$4.3 million subsequent to the end of quarter.
- Closing cash and gold of \$34.6 million at 30 September. Full additional funds from the \$30 million debt facility received following the end of month.

#### Enquiries

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\* \$31.8M cash and metals account, 1,166 ounces in safe and GIC @ \$2,418/Oz

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# Norseman Gold Project (Pantoro 50%)

## About the Norseman Gold Project

Pantoro Limited announced the 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. Pantoro's interest in the Norseman Gold Project is secured via industry standard security instruments.

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 4.5 million ounces of gold with an Ore Reserve of 713,000 ounces.

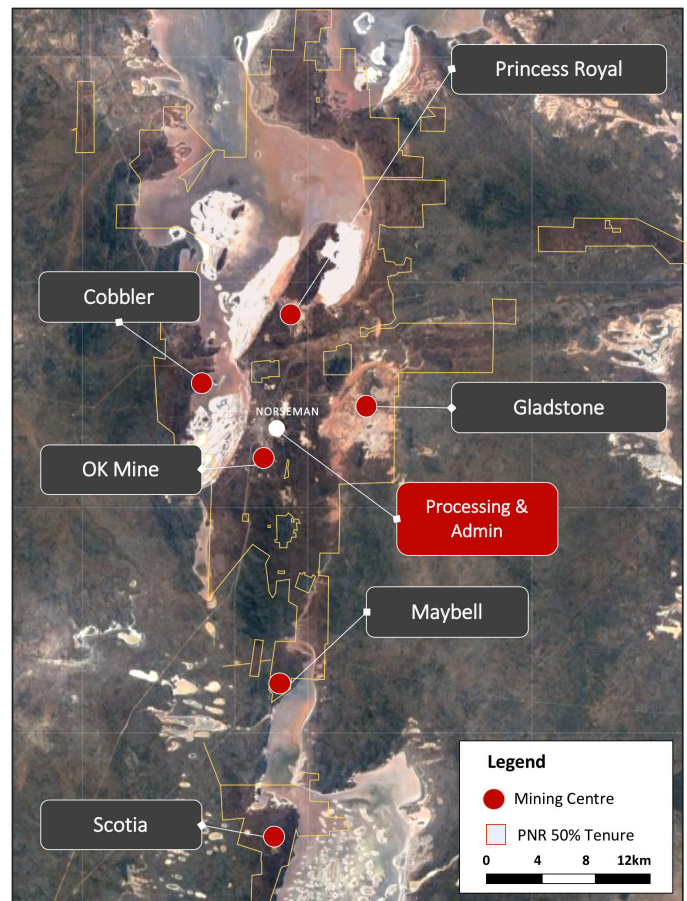
Many of the Mineral Resources defined to date remain open along strike and at depth, and many of the Mineral Resources have only been tested to shallow depths. In addition, there are numerous anomalies and mineralisation occurrences which are yet to be tested adequately to be placed into Mineral Resources, 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. The tenure includes approximately 70 lineal kilometres of the highly prospective Norseman – Wiluna greenstone belt covering approximately 800 square kilometres.

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.

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 a new 1 MTPa processing plant is being constructed.

Pantoro has focused initial project planning on six initial mining areas containing multiple deposits which are amenable to both open pit and underground mining. A Phase 1 DFS was completed in October 2020 detailing an initial seven year mine plan with a centralised processing facility and combination of open pit and underground mining producing approximately 108,000 ounces per annum. Approvals for the project were received in October 2021, and construction of the project is underway with first production expected in the third quarter of 2022.





## Norseman Gold Project Activities Update

### Project Development

#### Deconstruction of the old processing plant

The processing plant site clean up was completed during the quarter and prepared for construction activities ahead of final construction approvals.



#### Processing plant construction

GR Engineering Services ("GRES") commenced pre-construction work at Norseman during the last half of September 2021 with a small crew on site.

Procurement of plant components continued throughout the quarter, along with off site steel fabrication works. Numerous structural steel components have been delivered to site. Crushers have been delivered to Perth, and mill fabrication has been completed and is currently being prepared for shipping.

Mobilisation of civil works personnel occurred on 11 October 2021 immediately following receipt of final approvals from the DWER. Work is progressing according to schedule with a contracted 47 week completion time. Pantoro is working with GR Engineering to identify potential time reduction opportunities given the advanced position with respect to equipment delivery.



## Approvals

Pantoro submitted approvals documentation required to fulfil project requirements during the December 2020 quarter.

Department of Water and Environmental Regulation (DWER) and Department of Mines, Industry Regulation and Safety (DMIRS) approvals were finalised following the decision by the Environmental Protection Authority (EPA) not to assess the Norseman Gold Project on September 20 2021. There were no appeals lodged regarding the EPA decision.

Approvals for the Cobbler Open pit were removed from the approvals, pending agreement with the native title prescribed body corporate. Discussions to finalise agreement around Cobbler are advanced and ongoing. Pantoro is working to resolve approval for Cobbler prior to the commencement of operations. Cobbler represents a minor portion (7.5%) of the current Ore Reserve and any delays at Cobbler will not materially affect the outcomes of the project.

## Exploration and Resource Drilling

Pantoro has continued drilling at Norseman utilising four to five rigs throughout the quarter. The majority of the work has been concentrated on the Scotia Mining Centre resulting in Mineral Resource and Ore Reserve upgrades during the quarter.

It is expected that drilling with four drill rigs will continue for the majority of the December 2021 quarter ahead of a planned additional Mineral Resource and Ore Reserve update in the March 2022 quarter.

Once the current drilling program at Scotia is complete, the drill rigs will be relocated to the Mainfield with a focus on Resource definition to enable Ore Reserve conversions in the near term. Additional drilling is also planned at Lord Percy next quarter ahead of a Mineral Resource update and maiden Ore Reserve calculation.

## Green Lantern

Excellent drilling results from Green Lantern continued during the quarter. Headline results included\*:

- |                                  |  |
|----------------------------------|--|
| • 5 m @ 6.48 g/t Au from 107 m.  | • 5.6 m @ 2.34 g/t Au from 72 m.       |
| • 4 m @ 7.16 g/t Au from 115 m.  | • 9 m @ 3.14 g/t Au from 12 m.         |
| • 8 m @ 10.42 g/t Au from 41 m.  | • 7 m @ 2.08 g/t Au from 56 m.         |
| • 9 m @ 3.05 g/t Au from 93 m.   | • 9 m @ 1.51 g/t Au from 103 m.        |
| • 20 m @ 2.06 g/t Au from 42 m.  | • 7 m @ 2.28 g/t Au from 67 m.         |
| • 6 m @ 3.35 g/t Au from 76 m.   | • 4 m @ 3.54 g/t Au from 42 m.         |
| • 4 m @ 5.02 g/t Au from 107 m.  | • 1.85 m @ 18.73 g/t Au from 109.95 m. |
| • 3 m @ 9.52 g/t Au from 54 m.   | • 5 m @ 4.62g/t Au from 4 m.           |
| • 9 m @ 5.44 g/t Au from 44 m.   | • 20 m @ 1.22 g/t Au from 81 m.        |
| • 28 m @ 8.41 g/t Au from 95 m.  | • 3 m @ 7.96 g/t Au from 154 m.        |
| • 8 m @ 3.44 g/t Au from 30 m.   | • 1.1 m @ 57.89 g/t Au from 287.2 m.   |
| • 3 m @ 8.06 g/t Au from 105 m.  | • 4 m @ 7.74 g/t Au from 114 m.        |
| • 10 m @ 5.00 g/t Au from 49 m.  | • 2 m @ 13.35 g/t Au from 86 m.        |
| • 14 m @ 2.44 g/t Au from 50 m.  | • 5.8 m @ 6.17 g/t Au from 117.2 m.    |
| • 3 m @ 17.15 g/t Au from 109 m. | • 2 m @ 11.19 g/t Au from 31 m.        |

The intensive drilling program undertaken at Green Lantern from discovery in August 2020 resulted in a maiden Mineral Resource estimate and Ore Reserve calculation. The Mineral Resource extends approximately 800 metres along strike and remains open at depth and along strike to the south. Drilling of the deposit is continuing, and detailed mine design and scheduling are underway for inclusion of the Green Lantern open pit into the mine plan. The Green Lantern Mineral Resource and Ore Reserve are set out in the tables below.



Mineral Resource	Cut Off (g/t)	Indicated			Inferred			Total		
		kT	g/t Au	kOz	kT	g/t Au	kOz	kT	g/t Au	kOz
Green Lantern	0.5	3,962	1.4	180	2,849	1.4	132	6,811	1.4	312

N.B Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

Ore Reserve	Cut Off (g/t)	Proven			Probable			Total		
		kT	g/t Au	kOz	kT	g/t Au	kOz	kT	g/t Au	kOz
Green Lantern	0.6	-	-	-	2,646	1.3	111	2,646	1.3	111

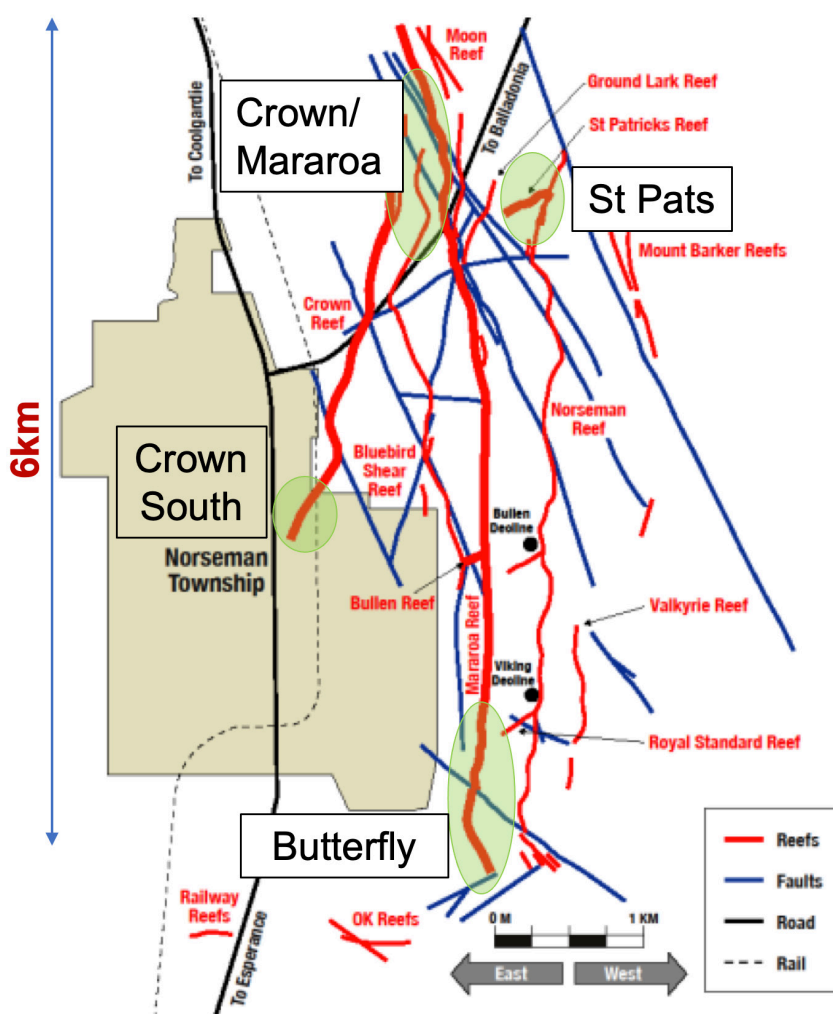
N.B Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

\* Results were released in two announcements to the ASX:

- 2 August 2021 – Green Lantern Continues to Grow ahead of Maiden MRE.
- 13 September 2021 – Green Lantern Maiden Mineral Resource and Ore Reserve.

## Mainfield

Discovered in 1894, the Mainfield Mining Centre was the primary ore source for historic operations and is located adjacent to the town of Norseman. The historic production recorded from the Mainfield reef system was approximately three million ounces, primarily won from shaft and rail mines prior to the introduction of modern mechanised mine development.



The five kilometre long Mainfield reef system was continuously mined for over a century from 1894, with the field acquired and developed on a large scale by WMC in 1936. The N-S striking Crown and Mararoa Reefs produced the majority of the historically mined gold, however a cross linking structure named Bullen was discovered in 1991 and produced approximately 500,000 ounces.

Pantoro released the results of the first pass drill program at Mainfield on 13 July 2021 in an ASX release titled "Mainfield Returns Numerous High Grade Results". Drilling was primarily focused in the Crown and Mararoa, Crown South, Butterfly and St Patricks areas within the Mainfield. Significant results returned from the program included:

- 5.7 m @ 35.85 g/t Au inc. 1.4 m @ 141.57 g/t Au. 4 m @ 6.86 g/t Au.
- 1 m @ 23.5 g/t Au. 2 m @ 5.8 g/t Au.
- 0.45 m @ 21.9 g/t Au. 4 m @ 5.68 g/t Au.
- 2 m @ 20.61 g/t Au. 3 m @ 5.35 g/t Au.
- 2 m @ 15.87 g/t Au. 4 m @ 4.33 g/t Au.
- 6 m @ 14.94 g/t Au. 5 m @ 3.99 g/t Au.
- 1 m @ 10.83 g/t Au. 4 m @ 3.53 g/t Au.
- 2 m @ 10.8 g/t Au. 3 m @ 3.24 g/t Au.
- 1.15 m @ 8.47 g/t Au. 5 m @ 3.20 g/t Au.
- 3 m @ 7.72 g/t Au.

Results received to date suggest that high grade Mineral Resources and Ore Reserves from Mainfield will be included in future optimisations of the Phase One mine plan. Mainfield will become a significant focus of drilling once the current drill program at the Scotia Mining centre is completed later in the December 2021 quarter. The focus of drilling in the Mainfield will be to define additions Ore Reserves suitable for inclusion in the Norseman mine plan. In the areas highlighted in the plan above.

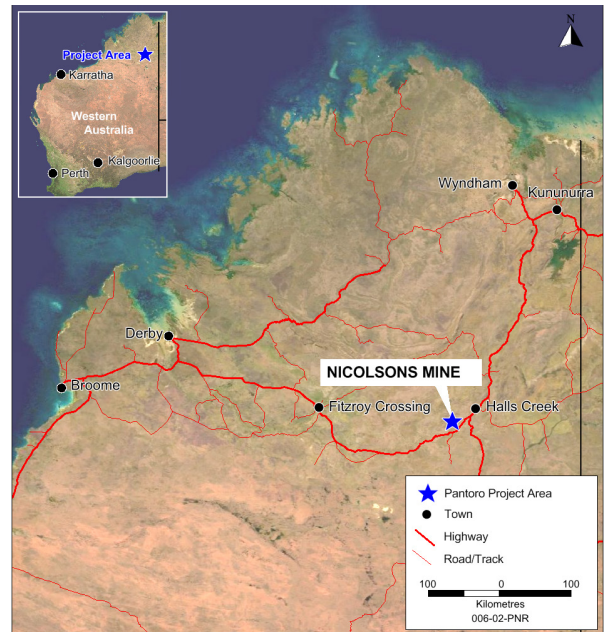
## Halls Creek Project (PNR 100%)

The Halls Creek Project includes the Nicolson 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 Nicolson 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 cashflow.

The project currently has a stated Mineral Resource of 330,000 ounces of gold as of 31 May 2021.

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 Nicolson and Wagtail, and high grade mineralisation has been noted throughout the tenement areas. The company is exploring for mineralisation extensions at Nicolson and Wagtail, together with a number of regional exploration targets. The company strategy is to continue profitable production from Nicolson 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.



*The Halls Creek Project Location*



## Quarterly Results and Outlook

Halls Creek Operations continue to reliably support the company's development efforts at the Norseman Gold project. During the quarter, cash flow of \$4.6 million was achieved from production of 9,473 ounces of gold. Production was in the upper half of the guidance range (8,100 – 9,900 ounces). Pleasingly, All in sustaining costs were lower than guidance at \$1,435/Oz, and higher than the upper end of guidance for net cashflow (guidance range \$1.4 – 4.4 million). Net cashflow takes into account all capital and exploration expenditure incurred during the quarter.

The COVID-19 pandemic continues to have a minor effect on operations, with the labour market continuing to tighten significantly. The operations was well covered by other employees filling gaps where possible.

Results for the quarter are set out in the table below.

	FY2021			FY2022
Physical Summary	Q2	Q3	Q4	Q1
UG Ore Mined (t)	49,172	44,220	47,594	46,067
UG Grade Mined (g/t Au)	6.35	5.67	5.72	6.01
OP BCM Mined	0	0	0	0
OP Ore Mined (t)	0	0	0	0
OP Grade Mined (g/t Au)	0.00	0.00	0.00	0.00
Ore Processed (t)	57,263	55,322	58,826	60,646
Head Grade (g/t Au)	5.81	5.02	4.98	5.09
Recovery (%)	94.7%	94.3%	94.2%	95.4%
Gold Produced (oz)	10,143	8,429	8,880	9,473
<b>Cost Summary (\$/oz)</b>				
Production costs	\$1,138	\$1,373	\$1,408	\$1,230
Stockpile Adjustments	\$49	\$24	-\$79	-\$13
<b>C1 Cash Cost</b>	<b>\$1,187</b>	<b>\$1,397</b>	<b>\$1,330</b>	<b>\$1,217</b>
Royalties	\$58	\$61	\$62	\$42
Marketing/Cost of sales	\$5	\$5	\$6	\$5
Sustaining Capital	\$177	\$175	\$166	\$163
Corporate Costs	\$7	\$5	\$7	\$8
<b>All-in Sustaining Costs</b>	<b>\$1,435</b>	<b>\$1,644</b>	<b>\$1,570</b>	<b>\$1,435</b>
Major Project Capital	\$1.79M	\$1.12M	\$0.62M	\$1.60M
Exploration Cost	\$1.06M	\$0.82M	\$0.98M	\$1.51M
<b>Project Capital</b>	<b>\$2.85M</b>	<b>\$1.94M</b>	<b>\$1.59M</b>	<b>\$3.12M</b>

Planned production and costs during the forthcoming quarters remains unchanged from the past six months and will be in line with the table below:

	Halls Creek Operations	
	Q2 FY22 Guidance	Q3 FY22 Guidance
Production (oz Au)	9,000 ± 10%	9,000 ± 10%
Revenue @ \$2,300/oz* (\$ million)	\$19 - \$23	\$19 - \$23
C1 (\$/oz)	\$1,300 - \$1,350	\$1,300 - \$1,350
AISC (\$/oz)*	\$1,550 - \$1,750	\$1,550 - \$1,750
Major Project Capital (\$ million)	\$2.0 - \$2.5	\$2.0 - \$2.5
Exploration (\$ million)	\$1.0	\$1.0
Net Cashflow (\$ million) @ \$2,300/oz	\$1.4 - \$4.4	\$1.4 - \$4.4

\* The above guidance is based on the Company's current understanding of the impact of the COVID-19 pandemic. Should the local, State or Federal governments increase current restrictions in relation to the pandemic, or a COVID-19 infection is identified amongst Halls Creek personnel, this could in turn adversely affect operations and in turn adversely affect guidance.



## Underground Mine Progress

Mining continued from both Wagtail and Nicolsons throughout the quarter.

At Nicolsons, the majority of ore mined was from the Johnston orebody in the south of the mine with airleg mining as the primary method. Development activities within the Anderson Lode recommenced in a limited capacity accessing remnant areas in the northern part of the mine. In addition, Pantoro intends to develop a new level at the base of the Anderson Lode in the North of the mine at the 1880 mRL, and has continued with diamond drilling programs designed to continue to extend mine life.

The majority of development work continues to be focused on Wagtail north areas, and in particular the Rowdies, REV, and Wagon Lodes. The active mining areas have continued to perform well in comparison with the existing Ore Reserve. Underground extensional drilling and development has continued to extend beyond the Ore Reserve at depth.

Development of the decline to the Wagtail South orebody continued to progress during the quarter albeit at a slower than planned rate due to manning levels being impacted by the current labour shortages, accessing the Wagtail South orebody will be prioritized in the coming quarters in ore to provide an additional ore source for the operation.

Pantoro provided an update to the Halls Creek Project Mineral Resource and Ore Reserve on 23 September 2021 in a release titled "Annual Mineral Resource and Ore Reserve Update". Drilling and development activities have continued to substantially replace mine depletion further extending the mine life. The Mineral Resource and Ore Reserves as at 31 May 2021 are shown in the tables below.

	Halls Creek Mineral Resource											
	Measured			Indicated			Inferred			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Nicolsons	173	11.1	62	360	6.1	71	106	8.2	28	640	7.8	161
Wagtail	280	8.6	77	298	5.6	54	133	5.1	22	712	6.7	153
Grants Creek	-	-	-	-	-	-	179	2.4	14	179	2.4	14
Stockpiles	50	1.6	3	-	-	-	-	-	-	50	1.6	3
<b>Total</b>	<b>504</b>	<b>8.7</b>	<b>142</b>	<b>659</b>	<b>5.9</b>	<b>125</b>	<b>418</b>	<b>4.7</b>	<b>64</b>	<b>1,581</b>	<b>6.5</b>	<b>330</b>

	Halls Creek Ore Reserve								
	Proven			Probable			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Nicolsons Underground	109	5.3	18	103	4.9	16	212	5.0	34
Nicolsons Open Pits	39	9.9	12	52	4.2	7	91	6.5	19
Wagtail Underground	292	4.9	46	137	4.5	20	429	4.8	66
Wagtail Open Pits	-	-	-	95	4.3	13	95	4.3	13
Stockpiles	50	1.6	3	-	-	-	50	1.9	3
Total	490	5.1	80	386	4.5	56	877	4.8	136

## Halls Creek Regional Exploration

Pantoro continued to drill regional exploration targets during the quarter. The prospects being drilled during the current field season include:

- Mary River
- Slattery (gold target approximately 500 metres west of Nicolsons processing plant).
- Lamboo PGE prospect
- Grants Creek

Refer to ASX Announcements titled 'Mary River Drilling Highlights Potential for a Large Low grade Gold System' released on 30 October 2019 and 'Initial Results from Mary River Gold Project Drilling' released on 7 August 2018 for details.

## **Lambo PGE**

The exploration highlight during the quarter was the identification of a large zone of platinum group mineralisation at the Edison prospect, approximately five kilometers south of Nicolson's processing plant. A number of broad medium grade assays were identified through re-assaying of existing drilling which was previously only sampled for gold. Results were released to the ASX on 6 September 2021 in an announcement titled "Wide Drill Hits Confirm Major PGE System at Halls Creek". Significant results returned to date include:

- 31 m @ 2.42 g/t Pt +Pd +Au (3E) from surface.
- 38 m @ 2.34 g/t Pt +Pd +Au (3E) from 1 m.
- 26 m @ 1.42 g/t Pt +Pd +Au (3E) from 9 m.
- 34 m @ 2.02 g/t Pt +Pd +Au (3E) from surface.
- 40 m @ 0.98 g/t Pt +Pd +Au (3E) from surface.
- 15 m @ 0.93g/t Pt +Pd +Au (3E) from 62 m.
- 41 m @ 1.68 g/t Pt +Pd +Au (3E) from 1 m.
- 16 m @ 0.93 g/t Pt +Pd +Au (3E) from 44 m.
- 39.4 m @ 1.54 g/t Pt +Pd +Au (3E) from 8.4 m inc. 24.7 m @ 1.80 g/t Pt +Pd +Au from 9.4 m.
- 16 m @ 0.92 g/t Pt +Pd +Au (3E) from 54 m.
- 32 m @ 0.90 g/t Pt +Pd +Au (3E) from 14 m.
- 50 m @ 1.37 g/t Pt +Pd +Au (3E) from 11 m.
- 30 m @ 1.56 g/t Pt +Pd +Au (3E) from surface.

Pantoro subsequently undertook a 2,500 metre RC drill program testing extensions to the mineralisation. All results from the new drill program remain outstanding.

## **Mary River**

At Mary River, Pantoro completed a 1,300 metre WA government co-funded EIS diamond drill program in the north eastern areas of the project. Drill core identified the mineralized shear zone with mineralisation visually similar to the Reform prospect drilled by Pantoro in the South Western area of the project.

## **Slattery**

The Slattery prospect was discovered during the 2020 field season, with results released to the ASX on 27 January 2021 in a release titled "Ore Grade Intersections from 3 New Targets at Halls Creek". Previous drilling results include:

- 2 m @ 6.80 g/t Au.
- 2 m @ 6.05 g/t Au.
- 2 m @ 4.24 g/t Au.
- 3 m @ 3.46 g/t Au.

Pantoro has undertaken infill and extensional drilling at Slattery during the quarter. The program undertaken during the quarter includes approximately 1,900 metres of RC drilling. Results from the current program remain outstanding.

## **Grants Creek**

Drilling at Grants Creek commenced subsequent to the end of the period and is likely to continue until the start of the wet season during the December 2021 quarter. Several prospects will be targeted as part of the drilling planned including follow up at Perseverance East and Panton Queen.

## Corporate Information

Pantoro generated strong cashflow from its Halls Creek assets during the quarter, largely offsetting expenditure at Norseman. A number of additional actions occurred during the quarter.

### Investment in Maximus Resources

Pantoro agreed to acquire 19.9% of Maximus Resources Limited (ASX:MXR) during the quarter. The acquisition was completed through two tranche placement conducted by Maximus in September 2021. The first tranche of the placement was settled during the quarter at a cost of \$0.27M. Maximus held a general meeting on 8 October 2021 where shareholders approved the second tranche of the placement. Pantoro paid an additional \$4.03M subsequent to the end of the quarter with tranche two shares issued on 15 October 2021.

The 108km<sup>2</sup> tenement package held by Maximus has a number of potential synergies with Pantoro's 50% held Norseman Gold project, located within easy trucking distance approximately 100 kilometres to the south on the major Goldfields-Esperance highway.

The Wattle Dam project previously produced approximately 266,000 ounces of gold at a grade of 10.6 g/t Au, however little drilling outside of the production zone, which included a small open pit and underground mine, had been completed. Pantoro believes that the project presents compelling opportunity to substantially grow the existing 112,000 ounce Au Mineral Resource in the near term. (Refer to release by ASX:MXR titled Maximus Resources – Investor Presentation – June 2021, dated 29 June 2021).

In addition, the tenements host outstanding Nickel sulphide potential with excellent EM targeting and high grade drill assays recently completed by Maximus. Additional drilling is underway.

Pantoro managing Director Paul Cmrlec has joined the board of Maximus as a non-executive director, and Operations Scott Huffadine has taken the position of alternate non-executive director.

The market value of the Maximus shares held by Pantoro as at 19 October 2021 was \$5.19M.

### Debt Facility with Global Credit Investments (GCI)

Pantoro announced that it had entered a \$30 million corporate debt facility with GCI on 23 September 2021.

The GCI facility provides a flexible solution to fund Pantoro to the completion of construction at Norseman. Funds are able to be utilised at Pantoro's discretion across any of its projects, and the facility is secured by the assets of the Halls Creek operating facility and the assets of the parent company.

Key attributes of the facility include:

- Facility Limit – A\$30 million.
- Agreed Margin – 7% per annum on the outstanding loan balance.
- Term – 3 years, amortising over the last 18 months of the loan.

In addition, Pantoro issued GCI 36,363,636 call options with an exercise price of \$0.275 per share. The options have a three-year term.

The facility was drawn in full subsequent to the end of the quarter, positioning Pantoro in a fully funded position for construction of the Norseman project.

### Deferred Payment for Acquisition of 50% of the Norseman Gold Project

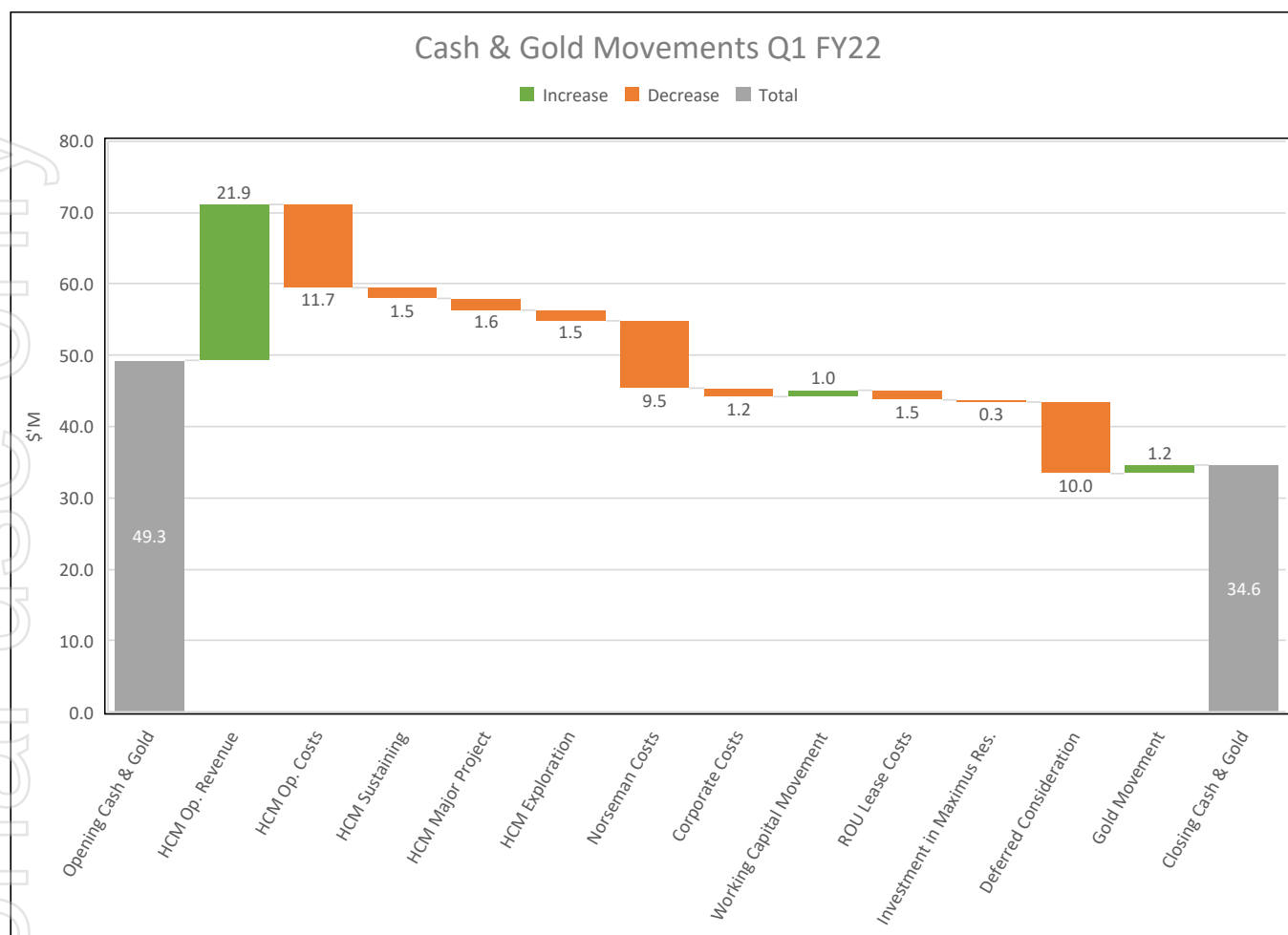
Pantoro made the last time based deferred payment for acquisition of 50% of the Norseman Gold Project in July 2021. A sum of \$10 million was paid to Tulla private. Payments which remain outstanding for the acquisition include:

- A 1% NSR royalty capped at \$6 million. The royalty converts to a 0.025% royalty once the initial \$6 million has been paid.
- \$10 million upon realizing a combined project production and Ore Reserve of 1.8 million ounces of gold.



## Cash and Gold Movements during the quarter

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 notional cashflow from production not yet realised.



Pantoro issued 36,363,636 call options to GCI subsequent to the end of the quarter with a strike price of \$0.275. There were no other changes in the structure of the company. The company structure as at 19 October 2021 is provided in the table below:

<b>Ordinary Shares (PNR)</b>	1,408,998,698
<b>Unlisted Options</b>	46,363,636 (various exercise prices and expiry dates)
<b>Unlisted Employee Options</b>	11,897,012 (various exercise prices and expiry dates)

During the period Pantoro made payments to related parties or their associates totalling \$310,000. The payments were made to Pantoro directors as remuneration for their roles (including superannuation).

## 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 50% owned Norseman Gold Project acquired in July 2019.

### 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 km<sup>2</sup> 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 4.5 million ounces and an Ore Reserve of 713,000 ounces.

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

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.

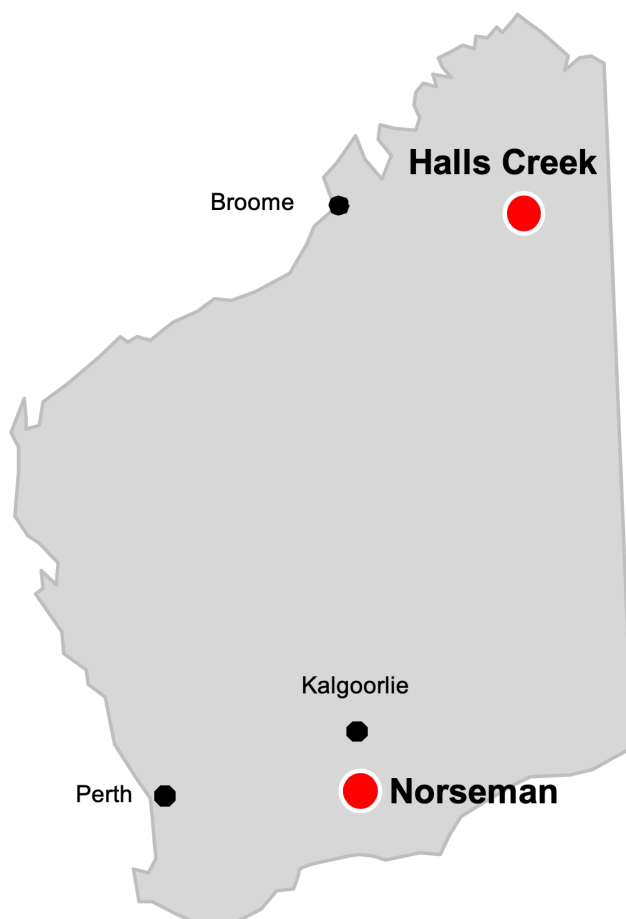
The Norseman project hosts exceptional exploration potential though both green fields discoveries and extension of the current resource base. Pantoro is actively exploring the tenement package.

### 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 to complement the Nicolson's production and exploration assets. In all, the company holds approximately 350 km<sup>2</sup> of prospective tenure in the Halls Creek Area. Pantoro is exploring at Nicolson's, Grants Creek, and Mary River with a focus on increasing the mine inventory for the project.

*This Quarterly Report was authorised for release by Paul Cmrlec, Managing Director.*



## Appendix 1 – Interests in Mining Tenements

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

### Tenements held at the end of the Quarter

Halls Creek, Western Australia	Status	Interest %
E80/5451	Application	100%
G80/23	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%
E80/5456	Granted	100%
L80/70	Granted	100%
L80/71	Granted	100%
L80/94	Granted	100%
L80/97	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%
L63/74	Application	50%
L63/95	Application	50%



Norseman, Western Australia	Status	Interest %
P63/2239	Application	50%
P63/2240	Granted	50%
E63/1641	Granted	50%
E63/1919	Granted	50%
E63/1920	Granted	50%
E63/1921	Granted	50%
E63/1969	Granted	50%
E63/1970	Granted	50%
E63/1975	Granted	50%
E63/2034	Granted	50%
E63/2062	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%
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%

Norseman, Western Australia	Status	Interest %
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%
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	45%
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%

Norseman, Western Australia	Status	Interest %
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%
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%



Norseman, Western Australia	Status	Interest %
M63/61	Granted	50%
M63/62	Granted	50%
M63/63	Granted	50%
M63/64	Granted	50%
M63/65	Granted	50%
M63/659	Granted	50%
M63/66	Granted	50%
M63/666	Granted	50%
M63/668	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%
P63/2003	Granted	50%
P63/2004	Granted	50%
P63/2010	Granted	50%
P63/2089	Granted	50%
P63/2138	Granted	50%
P63/2139	Granted	50%
P63/2140	Granted	50%
P63/2141	Granted	50%
P63/2142	Granted	50%

## Appendix 2 – Mineral Resource & Ore Reserve

### Pantoro Attributable Mineral Resource

	Measured			Indicated			Inferred			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Norseman Gold Project <sup>(1)</sup>	2,286	1.6	117	8,898	3.3	954	9,559	3.9	1,192	20,743	3.4	2,267
Halls Creek Project	504	8.7	142	659	5.9	125	418	4.7	64	1,581	6.5	330
<b>Total</b>	<b>2,790</b>	<b>2.9</b>	<b>259</b>	<b>9,556</b>	<b>3.5</b>	<b>1,079</b>	<b>9,977</b>	<b>3.9</b>	<b>1,256</b>	<b>22,324</b>	<b>3.6</b>	<b>2,597</b>

### Pantoro Attributable Ore Reserve

	Proven			Probable			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Norseman Gold Project <sup>(1)</sup>	2,083	0.8	50	3,729	2.6	307	5,811	1.9	357
Halls Creek Project	490	5.1	80	386	4.5	56	877	4.8	136
<b>Total</b>	<b>2,573</b>	<b>1.6</b>	<b>130</b>	<b>4,115</b>	<b>2.7</b>	<b>363</b>	<b>6,688</b>	<b>2.3</b>	<b>493</b>

Notes: (1) Pantoro attributable Mineral Resource via its 50% ownership of the Norseman Gold Project.  
 Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.  
 Mineral Resource and Ore Reserve statements have been rounded for reporting.  
 Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

## 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.

### Mineral Resources & Ore Reserves

The information relating to Mineral Resources and Ore Reserves is extracted from a report entitled 'Annual Mineral Resource & Ore Reserve Statement' created on 23 September 2021 and available to view on Pantoro's website ([www.pantoro.com.au](http://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 Drilling Results

The information is extracted from the reports entitled 'Mainfield Returns Numerous High Grade Results' created on 13 July 2021, 'Green Lantern Continues to Grow ahead of Maiden MRE' created on 2 August 2021 and 'Green Lantern Maiden Mineral Resource and Ore Reserve' created on 13 September 2021 and are available to view on Pantoro's website ([www.pantoro.com.au](http://www.pantoro.com.au)) and the ASX ([www.asx.com.au](http://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 announcements.

### Halls Creek Drilling Results

The information is extracted from the reports entitled 'Ore Grade Intersections from 3 New Targets at Halls Creek' created on 27 January 2021 and 'Wide Drill Hits Confirm Major PGE System at Halls Creek' created on 6 September 2021 and are available to view on Pantoro's website ([www.pantoro.com.au](http://www.pantoro.com.au)) and the ASX ([www.asx.com.au](http://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 announcements.

### 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")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	21,925	21,925
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(5,600)	(5,600)
	(d) staff costs	(4,884)	(4,884)
	(e) administration and corporate costs	(605)	(605)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	16	16
1.5	Interest and other costs of finance paid	(151)	(151)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	29	29
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>10,730</b>	<b>10,730</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	(550)	(550)
	(b) tenements	-	-
	(c) property, plant and equipment	(6,067)	(6,067)
	(d) exploration & evaluation	(5,157)	(5,157)
	(e) investments	(269)	(269)
	(f) other non-current assets (mine capital development)	(2,966)	(2,966)

## 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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(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	<b>Net cash from / (used in) investing activities</b>	<b>(15,009)</b>	<b>(15,009)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(160)	(160)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (ROU lease payments excluding interest)	(1,461)	(1,461)
	Other (Payment of deferred consideration)	(10,000)	(10,000)
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(11,621)</b>	<b>(11,621)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	47,382	47,382
4.2	Net cash from / (used in) operating activities (item 1.9 above)	10,730	10,730
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(15,009)	(15,009)

## 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 (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(11,621)	(11,621)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>31,482</b>	<b>31,482</b>

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	6,271	8,427
5.2	Call deposits	25,211	38,955
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>31,482</b>	<b>47,382</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	310
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

7.	<b>Financing facilities</b> <i>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.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	30,000	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	30,000	-
7.5	<b>Unused financing facilities available at quarter end</b>		30,000
7.6	<p>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.</p> <p>Loan facility is with Global Credit Investments at an agreed margin of 7% and a term of 3 years. Repayments are scheduled over the last 18 months of the loan. The facility is secured over the assets of Pantoro Limited and Halls Creek Mining Pty Ltd (the Halls Creek operational subsidiary).</p>		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	10,730
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(5,157)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	5,573
8.4	Cash and cash equivalents at quarter end (item 4.6)	31,482
8.5	Unused finance facilities available at quarter end (item 7.5)	30,000
8.6	Total available funding (item 8.4 + item 8.5)	61,482
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	N/A
	<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>	
8.8	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.8.1 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?</p> <p>Answer: N/A</p> <p>8.8.2 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?</p> <p>Answer: N/A</p>	



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

8.8.3 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

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### 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: 19 October 2021

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.