



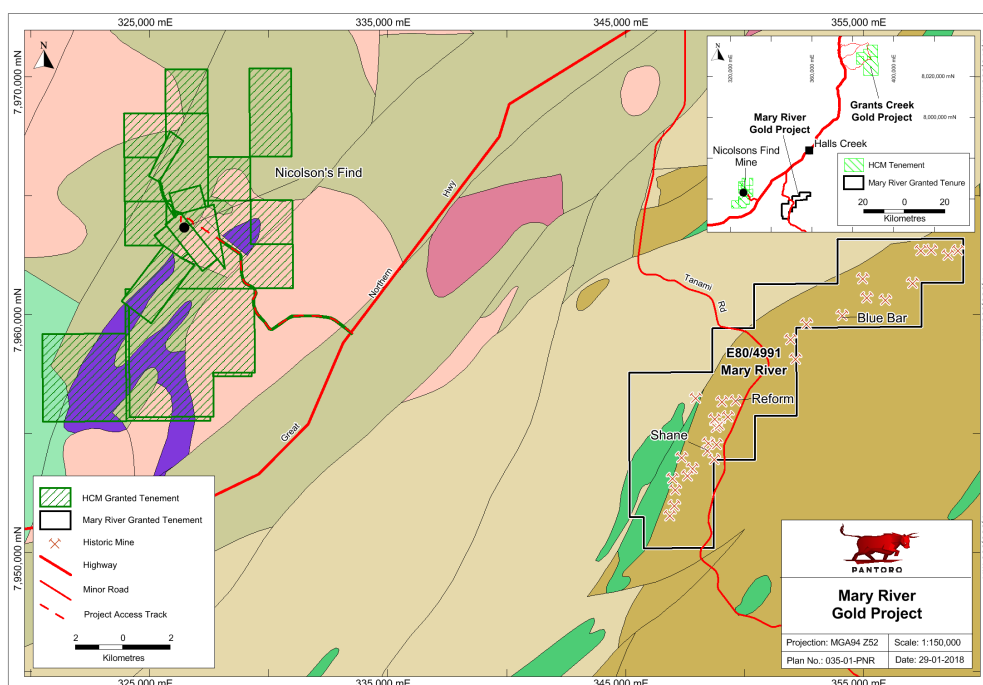
ASX Announcement
7 August 2018

Initial Results from Mary River Gold Project Drilling

Pantoro Limited (**ASX:PNR**) (**Pantoro**) is pleased to advise that it has achieved immediate success from its maiden drilling program at the Mary River Gold Project. The Mary River Gold Project is centred around the historic Reform mine located approximately 20 km SSE of the Nicolson's Gold Project.

The eight hole program which included five diamond drill holes and three RC holes has provided encouraging results including:

- 31.65 m @ 1.78 g/t Au inc. incl. 12.95 m @ 1.88 g/t from 35 m and 10.7 m @ 2.56 g/t from 53.3 m.
- 8 m @ 1.2 g/t Au.
- 8 m @ 1.65 g/t Au (hole ended in mineralisation).

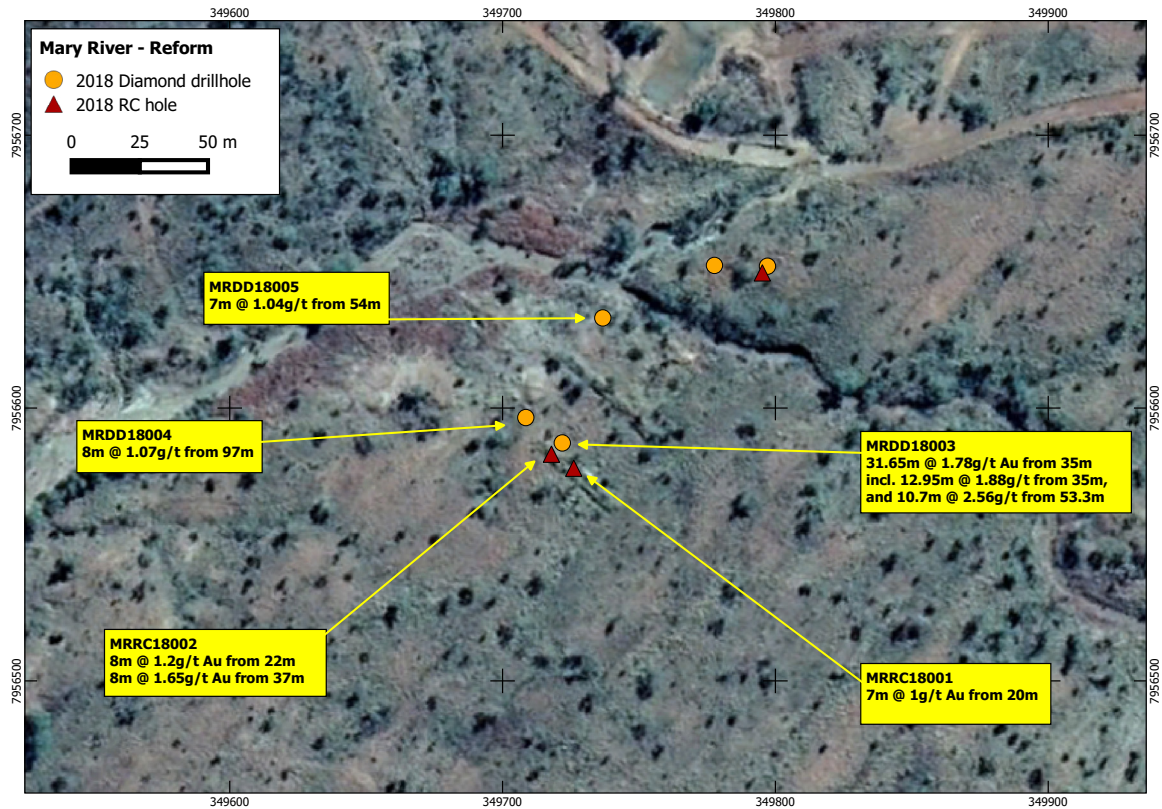
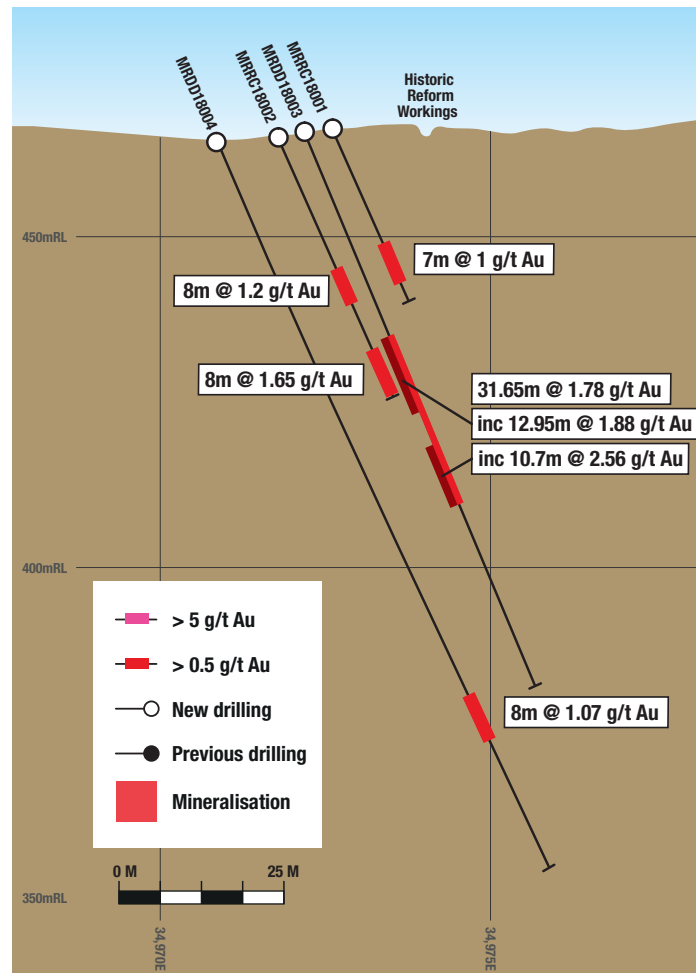


Pantoro intends to utilise data from the maiden drilling program, which was primarily completed to collect stratigraphic information, in assessment of additional work programs. Close spaced aeromagnetic surveys and additional drilling will be the company's next steps in defining the extent of the mineralised shear zone identified during this drill program.

Commenting on the results Managing Director Paul Cmrlec said "The initial exploration results from Mary River are an exciting development for the company. The entire 15 km strike length of the Mary River line of workings remains untested with no drilling to speak of completed previously. Pantoro owns and operates the only gold processing plant in the Kimberley Region, and has been able to secure many of the historical mining areas around Halls Creek in recent times. This drilling has again demonstrated the untapped potential of the region and provides Pantoro with a growth opportunity not often seen in a developed mining jurisdiction such as WA."

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About the Mary River Project

The Mary River Project is located approximately 20 km SSW of Halls Creek and is easily accessible via the Great Northern Highway and the Tanami Road. Mary River is approximately 20 km from the Nicolson's processing plant.

The tenement encompasses the majority of the historical Mary River Goldfield which is approximately 15 km long and 3 km wide. The area has a mining history dating back to 1885 with a large number of small-scale hard rock excavations, along with eluvial and alluvial mines having operated during the area's history. Large scale alluvial mining was undertaken as recently as the 1980's. Despite the long mining history in the area, Mary Creek remains largely un-explored by modern techniques. Few deposits have been drilled, and where drilling has been undertaken, it has been extremely limited.

The maiden drilling was focussed around the historic Reform mine which official figures show produced approximately 6.5 kg of gold (209 ounces) in the late 1800s. A further 2,300 ounces of gold was reportedly produced from alluvial workings during the 1980s. Sampling of the Reform workings in the 1930s recorded grades from 0.3 to 13 g/t Au. Minor drilling at Reform produced a best result of 8 m at 5.84g/t Au from 16 m (MRPH1).

An Alluvial plant was commissioned during October 1988 by Roebuck Resources to mine a bulk sampled resource of >100 000 bank cubic metres in the uppermost reaches of the Mary River. An assessment was also made of downstream gravels in the Mary River, tributary streams and alluvial deposits and areas delineated for further bulk sampling ahead of mining.

The Reform prospect is located in the Eastern zone of the Halls Creek orogeny, comprising low to medium grade meta-sedimentary and meta-igneous rocks of the c. 1880–1840 Ma Halls Creek Group.

Enquiries

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Appendix 1 – Table of Drill Results

Hole ID	Easting	Northing	RL	Dip	Azimuth	End of Hole Depth	Downhole From	Downhole To	Downhole Intersection	Au gpt (uncut)
MRDD18001	349,778.6	7,956,653.5	453.0	-60.00	310	42.3				NSA
MRDD18002	349,797.1	7,956,652.0	459.2	-60.00	310	93.2				NSA
MRDD18003	349,720.0	7,956,585.6	452.3	-60.00	130	96.5	35	67	31.65	1.78
MRDD18003	incl. 12.95m @ 1.88g/t from 35m and 10.7m @ 2.56g/t from 53.3m									
MRDD18004	349,708.5	7,956,596.5	464.3	-60.00	130	127.3	97	106	8	1.07
MRDD18004	Including 4m at 1.45g/t from 101-105m									
MRRD18005	349736.7184	7956633.021	455.60318	-55	130	105.2	54	61	7	1.04
MRRC18001	349726.0633	7956577.931	466.286377	-60	130	30.0	20	27	7	1
MRRC18002	349717.891	7956583.069	464.993927	-60	130	45.0	22	32	8	1.2
MRRC18002	349717.891	7956583.069	464.993927	-60	130	45.0	37	45	8	1.65
MRRC18003	349795.2009	7956649.53	459.066132	-60	310	30.0				NSA

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.

Forward Looking Statements

Certain statements in this report relate to the future, including forward looking statements relating to Pantoro's financial position and strategy. 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 2 – JORC Code 2012 Edition – Table 1

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> This information in this release relates to an Exploration update and results from surface Diamond exploration drill sampling and Reverse Circulation (RC) of the of the Reform prospect at the Mary River gold project. RC – Rig-mounted static splitter used, with sample falling through a riffle splitter, splitting the sample in 87.5/12.5 ratio sampled every 1m RC samples 2-5kg samples are dispatched to an external accredited laboratory (BVA Perth) where they are crushed and pulverized to a pulp (P90 75 micron) for fire assay (40g charge). Diamond samples 2-5kg samples are dispatched to an external accredited laboratory (BVA Perth) where they are crushed and pulverized to a pulp (P90 75 micron) for fire assay (40g charge). All core is logged and sampled according to geology, with only selected samples assayed. Core is halved, with RHS of cutting line assayed, and the other half retained in core trays on site for further analysis. Samples are a maximum of 1.2m, with shorter intervals utilised according to geology to a minimum interval of ..15m where clearly defined mineralisation is evident. Core is aligned, measured and marked up in metre intervals referenced back to downhole core blocks.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC – Reverse circulation drilling was carried out using a face sampling hammer and a 130mm diameter bit Surface DD – HQ diamond tails completed on 3m rock roller precollars, all core has orientations completed.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> All holes were logged at site by an experienced geologist. Recovery and sample quality were visually observed and weights recorded at the laboratory RC- recoveries are monitored by visual inspection of split reject and lab weight samples are recorded and reviewed. DD – No significant core loss has been noted in fresh material. Good core recovery has generally been achieved in all sample types in the current drilling program.

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Geological logging is completed by a qualified geologist and logging parameters include: depth from, depth to, condition, weathering, oxidation, lithology, texture, colour, alteration style, alteration intensity, alteration mineralogy, sulphide content and composition, quartz content, veining, and general comments. 100% of the holes are logged
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> All RC holes are sampled on 1m intervals. RC samples are taken off the rig splitter, no significant water is encountered and are typically dry Core samples were sawn in half utilising an Almonte core-saw, with RHS of cutting line sent for assaying and the other half retained in core trays on site for future analysis. For core samples, core was separated into sample intervals and separately bagged for analysis at the certified laboratory. Core was cut under the supervision of an experienced geologist, it was routinely cut on the orientation line. All mineralised zones are sampled as well as material considered barren either side of the mineralised interval Field duplicates for RC is completed and 5 ¼ core samples were taken as part of this program. Half core is considered appropriate for diamond drill samples. Sample sizes are considered appropriate for the material being sampled and weights are recorded and monitored by project geologists.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Assays are completed in a certified laboratory in Perth BVA. Gold assays are determined using fire assay with 40g charge. Where other elements are assayed using either AAS base metal suite or acid digest with ICP-MS finish. The methods used approach total mineral consumption and are typical of industry standard practice. No geophysical logging of drilling was performed. Lab standards, blanks and repeats are included as part of the QAQC system. In addition the laboratory has its own internal QAQC comprising standards, blanks and duplicates. Sample preparation checks of pulverising at the laboratory include tests to check that the standards of 90% passing 75 micron is being achieved. Follow-up re-assaying is performed by the laboratory upon company request following review of assay data. Acceptable bias and precision is noted in results given the nature of the deposit and the level of classification RC drill samples from previous owners was fire assay with AAS finish. Review of historic records of received assays confirms this.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Significant intersections are noted in logging and checked with assay results by company personnel both on site and in Perth. An RC twin fro part of MRDD18003 was drilled as part of this program. All primary data is logged digitally on tablet or on paper and later entered into the SQL database. Data is visually checked for errors before being sent to an the companies database manager for further validation and uploaded into an offsite database. Hard copies of original drill logs are kept in onsite office. Visual checks of the data re completed in Surpac mining software No adjustments have been made to assay data unless in instances where standard tolerances are not met and reassay is ordered.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> RC/DD drilling is downhole surveyed utilizing surveyed electronic single shot survey tool at collar, 10 metres then 30m thereafter. No Gyro DH surveys were undertaken on this program. Surface RC and Diamond drilling is marked out using GPS and final pickups using DGPS collar pickups, holes in this current report are utilising GPS final pickups are not finalised. The project lies in MGA 94, zone 52.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Surface diamond drilling in this initial phase has been 25-50m along strike spacing, over 3 lines No compositing is applied to diamond drilling or RC sampling. Core samples are both sampled to geology of between 0.15 and 1.2m intervals. All RC samples are at 1m intervals.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> No bias of sampling is believed to exist through the drilling orientation Surface drilling is designed perpendicular to the interpreted orientation of the mineralisation.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The chain of custody is managed by Pantoro employees and contractors. Samples are stored on site and delivered in sealed boxes and bags to the lab in Perth Samples are tracked during shipping.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audit or reviews of sampling techniques have been undertaken however the data is managed by a database consultant who has internal checks/protocols in place.

SECTION 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Tenement related to this drilling are 100% held by Pantoro subsidiary company Halls Creek Mining Pty Ltd. This is: E80/4991 The tenements is in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous exploration in the area has included historic gold workings, at the Reform mine official figures show produced approximately 6.5kg Au in the late 1800s. An Alluvial plant was commissioned 29/10/1988 by Roebuck Resources to mine an initial bulk sampled resource of >100 000 bank cubic metres in the uppermost reaches of the Mary River. An assessment was also made of downstream gravels in the Mary River, tributary streams and alluvial deposits and areas delineated for further bulk sampling ahead of mining. There appears to have been very little previous drilling on this tenement. Three RC percussion holes were drilled by Roebuck Resources in 1988. Costeans were dug by Finucane and Bulletin Resources completed reconnaissance work in the area between 2012 and 2014.

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The geology in the area is comprised of the Biscay formation overlain by the Olympia formation with both intruded by the Woodward dolerite. The contact between the Biscay and Olympia formation follows the north easterly direction of the regional fabric. The Woodward dolerite intrudes as sills up to 200m thick rather than dykes and hence also follows the regional fabric. The Woodward dolerite has been deformed and metamorphosed with the Halls Creek group and the mafic rocks of the Biscay formation recrystallized under upper greenschist to epidote-amphibolite facies conditions, making the distinction between metabasalt and metadolerite very difficult (Griffen & Tyler, 1992). The mineralisation is located within the Biscay Formation, and lie along a north east curving trend aligned roughly parallel and 1 to 1.5km east of its faulted contact with the Olympio Formation. Most of these mineralised occurrences are situated on north easterly trending faults, but these faults are typically barren away from the contact between the Biscay and Olympio Formations. The mineralization at the Reform mine is possibly related to several shear-parallel quartz veins in a 1.5 m wide shear zone within siltstone and silicified shale (Sanders, 1999).
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> » easting and northing of the drill hole collar » elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar » dip and azimuth of the hole » down hole length and interception depth » hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> A table of drill hole data pertaining to this release is attached.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Reported drill results are uncut All relevant intervals to the reported mineralised intercept are length weighted to determine the average grade for the reported intercept. All significant intersections are reported with a lower cut off of 1 g/t Au including a maximum of 2m of internal dilution. Individual intervals below this cut off are reported where they are considered to be required in the context of the presentation of results No metal equivalents are reported.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Surface DD/RC drilling is perpendicular to the interpreted strike of the mineralisation. Downhole lengths are reported. Estimated true widths are not currently known due to the early stage of the drilling with orientations yet to be defined.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Appropriate diagrams are included in the report.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Diagrams show the location and tenor of both high and low grade samples.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> No other meaningful data to report.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> The results from this current program are the first undertaken in the area and are therefore preliminary in the context of interpretation. Follow up drilling is planned which will include scissor holes to assist in determining orientations and true width as well as testing the along strike extents.