

Regulatory Announcement

Company [Pan African Resources PLC](#)
TIDM PAF
Headline Final Results For the period ended 30 June 2007
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Pan African Resources PLC ('Pan African' or the 'Company')

Final Results

For the period ended 30 June 2007

Pan African Resources PLC (AIM: PAF, AltX: PAN), the African based gold mining and exploration company is pleased to report its final results for the 15 month period ended 30 June 2007.

HIGHLIGHTS OF THE PERIOD UNDER REVIEW

- * Acquisition of 90% stake in the Akrokkerri gold project, Ghana.
- * Increased resource at the Manica gold project, Mozambique to 1,550Moz in situ.
- * Commenced drilling at Bogoin gold project, Central African Republic.
- * Identified 4 gold-in-soil anomalies at the Dekoa gold project, Central African Republic.
- * Loss of £922,450 (18 months ended 31 March 2006: £865,249), representing a loss per share of 0.22p (2006: 0.24p).

POST PERIOD END HIGHLIGHTS

- * Acquisition of 74% stake in Barberton Mines (Pty) Limited, South Africa, transforming the Company into a mid tier gold producer.

CHAIRMAN'S STATEMENT

Your Company repositioned itself during 2007 with a major transaction, being the acquisition of Barberton Mines (Pty) Ltd, which was completed after the period under review. Going into the future, it is now a mid-tier gold Company, with both production ounces and an exciting portfolio of exploration assets.

During the fifteen months under review, the Company incurred a loss of £922,450 (18 months ended 31 March 2006: £865,249), representing a loss per share of 0.22p (2006: 0.24p).

On 31 July 2007 your Company acquired Barberton Mines (Pty) Ltd from Metorex Limited in exchange for a new issue of shares resulting in Metorex Limited now holding a 55% interest in Pan African. At the time of completion, the Company was granted a secondary listing on the Alternative Exchange (AltX) of the JSE Limited in South Africa. Barberton Mines consists of three operational gold mines, Fairview, Sheba and New Consort, situated in the Barberton Greenstone belt of South Africa, which together produced 90 000 oz of gold in 2007, and the accounts for the year ended 30 June 2007 showed a net profit before interest, tax and depreciation of £5.8 million. This acquisition lifted your Company from a junior exploration Company to a mid-tier exploration and gold

producing Company. The significance of this is that the profits generated from the mining operations will be used to fund and increase the exploration effort of the Company.

Exploration activities were accelerated during the period. The Manica project in Mozambique has progressed well, with an independent Pre-Feasibility study giving encouraging results to date. Further drilling has delineated additional gold resources, which have been independently verified and are now in excess of 1.5 million ounces. This is by far the most advanced exploration site, and during the coming year, we expect it to be progressed to a full Bankable Feasibility Study.

In the Central African Republic, soil sampling and Reverse Air Blast (`RAB') drilling has given encouraging results at the Bogoin prospect. Two areas have been identified with a combined strike length of 12 km. During 2007, further drilling using a Reverse Circulation (`RC') drill will be undertaken, with the view of delineating and evaluating the resource. At the second concession, Dekoa, crews have been mobilised, and a soil geochemical survey will be conducted. The Central African Republic is a relatively unexplored tenement which could prove to be a major gold province.

During the period, an agreement was signed with Birim Goldfields Incorporated, to acquire the Akrokerrri prospecting concession in Ghana. This concession abuts AngloGold-Ashanti's Obuasi mine. Extensive work has been undertaken over the years on this concession, and during 2007 this data will be analysed to identify prospective targets. The Company's exploration projects are robust, and have the potential to deliver significant returns in both the near and medium term.

I believe the outlook for gold remains robust, with a spectacular increase in the Dollar-denominated gold price during the past year. A lack of exploration investment over the past decade has reduced gold output and this, together with the weakening Dollar, rising oil prices and the sub-prime crisis, has once again highlighted gold as a safe haven. These fundamentals are expected to remain, giving support for the price and earnings growth going forward.

The Company will continue to aggressively pursue acquisitions of prospective gold deposits with good upside potential, as well as looking for acquisitions or Joint Ventures with other gold exploration companies who have proven resources or operating mines which can add to the production ounces and future cash flows.

I would like to welcome Simon Malone and Charles Needham to the Board, who joined as Metorex Limited representatives upon the Barberton acquisition. My sincere thanks go to my fellow Directors, particularly to Jan Nelson our CEO and his staff for their efforts during the past year, and finally to my predecessor, Colin Bird, who during his tenure as Chairman, took the Company to where it is today.

KEITH SPENCER

Chairman

20 December 2007.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Period ended 30 June 2007

	15 months to 30/06/07	18 months to 31/03/06 (restated)
	£	£
Exploration costs	(345,208)	(464,575)
Administrative expenses	(609,637)	(420,783)
Operating loss	(954,845)	(885,358)
Interest receivable	37,195	30,759
Amounts written off investments	(4,800)	(10,650)
Loss on ordinary activities before taxation	(922,450)	(865,249)
Tax on loss on ordinary activities	-	-
Loss for the financial period	(922,450)	(865,249)
Loss per ordinary share - basic and diluted	(0.22p)	(0.24p)

CONSOLIDATED BALANCE SHEET

As at 30 June 2007

	30/06/07	31/03/06
	£	£
FIXED ASSETS		
Intangible assets	6,312,030	4,847,630
Investments	-	4,800
	6,312,030	4,852,430
CURRENT ASSETS		
Debtors	294,365	3,225
Cash at bank	326,847	1,874,702
	621,212	1,877,927
Creditors: amounts falling due within one year	(1,026,493)	(399,455)
	(405,281)	1,478,472
Total assets less current liabilities	5,906,749	6,330,902
CAPITAL AND RESERVES		
Share capital	4,180,032	4,077,532
Share premium account	4,076,769	3,978,178
Merger reserve	1,560,000	1,485,000

Share option reserve	296,162	73,956
Profit and loss account	(4,206,214)	(3,283,764)
Shareholders' funds	5,906,749	6,330,902

CONSOLIDATED CASH FLOW STATEMENT

Period ended 30 June 2007

	15 months to 30/06/07	18 months to 31/03/06
	£	£
Net cash outflow from operating activities	(559,244)	(503,901)
Returns on investments and servicing of finance	37,195	30,759
Capital expenditure and financial investment	(1,092,897)	(697,170)
Financing	67,091	1,820,881
(Decrease)/increase in cash	(1,547,855)	650,569

NOTES TO THE FINANCIAL ACCOUNTS

Period ended 30 June 2007

1. Earnings per share

The calculation of basic earnings per ordinary share is based on losses of £ 922,450 (18 months ended 31 March 2006: £865,249) and on 408,922,095 ordinary shares (18 months ended 31 March 2006: 354,281,542), being the weighted average number of ordinary shares in issue during the year, calculated as follows:

	15 months ended 30/06/ 07	18 months ended 31/03/ 06
	£	£
Losses per financial statements	(922,450)	(865,249)
Weighted average number of shares	408,922,095	354,281,542
Loss per share - basic and diluted	(0.22p)	(0.24p)

Following the Company's secondary listing on the JSE Limited post year end, the Group is required to disclose its headline loss per share for the period in accordance with the Listings Requirements of the JSE Limited.

Reconciliation between loss per share and headline loss per share:

	15 months ended 30/06/ 07	18 months ended 31/03/06
		(restated)

	£	£
Losses per financial statements	(922,450)	(865,249)
Costs of aborted projects written off	345,208	464,575
Headline loss	(577,242)	(400,674)
Loss per share - basic and diluted	(0.14p)	(0.11p)

2. Comparative figures

The comparative figures were for the eighteen months ended 31 March 2006.

3. Statutory accounts

The financial information set out above does not constitute statutory accounts within the meaning of s.240 of the Companies Act 1985. The statutory accounts in English only are being distributed to members on 21 December 2007 and will be available for download from the Company's web site:

www.panafricanresources.com.

Copies of the statement in English only will be available to the public free of charge from the Company at Manfield House, 2nd Floor, 1 Southampton Street, London WC2R 0LR as well as Viewpoint House, Corner Main Road and Orchard Avenue, Bordeaux, Randburg, Gauteng, South Africa during normal office hours, Saturdays, Sundays and bank holidays excepted, for 31 days from today.

ENDS

For further information on Pan African Resources plc, please visit the website at www.panafricanresources.com

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