

## Regulatory Announcement

**Company** [Pan African Resources PLC](#)  
**TIDM** PAF  
**Headline** Final Results  
**Released** 13:37 30-Jun-06



30 June 2006

Pan African Resources plc

("Pan African" or "the Company")

### **Final Results for the period ending 31 March 2006**

#### **PAN AFRICAN RESOURCES PLC**

#### **AND SUBSIDIARIES**

#### **CHAIRMAN'S STATEMENT**

During the period under review the Company incurred an operating loss of £791,293 (2004: £164,231) representing a loss per share of 0.22p (2004: 0.09p).

A focused exploration strategy and mission to advance our projects along the value curve has been responsible for the Company providing its Shareholders with a high value portfolio. At the Manica gold project in Mozambique, a resource of 1,311Moz has been independently verified with a pre-feasibility study currently underway to assess the viability of a surface gold mine. Major technical progress has been made at this project for the period, and significant upside potential exists with only some 12% of the potentially mineralised strike-length being explored. In January 2006 the Company exercised its option to purchase an 80% effective stake in the project and this will be completed in the second quarter of the current financial year.

In the Central African Republic the Company is well positioned, holding extensive ground with good gold potential covering some 4000km<sup>2</sup>. The exploration programmes at the Bogoin and Dekoa gold projects has been designed with the specific goal of testing for gold deposits larger than 2Moz in size. To date a gold-in-soil anomaly 12km in strike-length has been delineated. Some of the historical boreholes drilled within the identified anomaly returned high gold values, some as high as 20m @ 5.05g/t and 19m @ 17.38g/t.

The projects in the Central African Republic are a joint venture with International Mining Investments and Goldiam SARL. Pan African commenced with an equal contributory interest of 45% to that of International Mining Investments, but has the option on a further 20% to take its effective stake to 65% upon project development. Pan African has operational control and manages the exploration programme on behalf of the joint venture.

Participation in the Wa project in Ghana has been terminated after our initial exploration programme. Consequently expenditure incurred on this project has been written off.

Our projects in general have the scope to deliver significant returns with the possibility of near term production combined with the considerable upside potential evident in the Central African Republic.

The AIM market has been a major source of funding for global resource explorers despite competition for funding being high. The Company has recently raised £1.7 million which is adequate for the company to maintain its current exploration programmes.

The outlook for gold appears promising against a weakening dollar, rising oil prices and global political tension. In recognition of this advancing Manica to development and resource identification in the Central African Republic remains our immediate objective.

The Company will maintain its acquisition policy aimed at securing gold deposits with exceptional upside value in areas of Africa not well explored but considered to be favourable both technically and politically.

I would like to thank my fellow directors and staff for their hard work during the period and particular thanks to Jan Nelson, our Chief Executive Officer, for his tireless efforts to raise the Company's profile both in the markets and in the industry.

Colin Bird

Chairman

29 June 2006

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## CONSOLIDATED PROFIT AND LOSS ACCOUNT

Period ended 31 March 2006

	18 months to 31/03/06	18 months to 30/09/04
	£	£
Exploration costs	(464,575)	-
Administrative expenses	(346,827)	(178,374)
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<b>Total administrative expenses and operating loss</b>	<b>(811,402)</b>	<b>(178,374)</b>
Interest receivable	30,759	14,143
Amounts written off investments	(10,650)	-
	-----	-----
<b>Loss on ordinary activities before taxation</b>	<b>(791,293)</b>	<b>(164,231)</b>
Tax on loss on ordinary activities	-	-
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<b>Loss for the financial period</b>	<b>(791,293)</b>	<b>(164,231)</b>
	=====	=====
<b>Loss per ordinary share – basic</b>	<b>(0.22p)</b>	<b>(0.09p)</b>
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**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2006**

	<b>31/03/06</b>		<b>30/09/04</b>	
	£	£	£	£
<b>FIXED ASSETS</b>				
Intangible assets		4,847,630		3,831,710
Investments		4,800		24,200
		-----		-----
		4,852,430		3,855,910
<b>CURRENT ASSETS</b>				
Debtors		3,225		18,434
Cash at bank		1,874,702		1,224,133
		-----		-----
		1,877,927		1,242,567
<b>Creditors: amounts falling due</b>				
<b>within one year</b>		(399,455)		(107,163)
		-----		-----
		1,478,472		1,135,404
		-----		-----
<b>Total assets less current liabilities</b>		6,330,902		4,991,314
		=====		=====
<b>CAPITAL AND RESERVES</b>				
Share capital		4,077,532		3,520,000
Share premium account		3,978,178		2,404,829
Merger reserve		1,485,000		1,485,000
Profit and loss account		(3,209,808)		(2,418,515)
		-----		-----
<b>Shareholders' funds</b>		6,330,902		4,991,314
		=====		=====

## CONSOLIDATED CASH FLOW STATEMENT

Period ended 31 March 2006

	18 months to 31/03/06 £	18 months to 30/09/04 £
<b>CASH FLOW STATEMENT</b>		
<b>Net cash outflow</b>		
from operating activities	(503,901)	(118,199)
<b>Returns on investments and servicing of finance</b>	30,759	14,143
<b>Capital expenditure and financial investment</b>	(697,170)	(777,405)
<b>Acquisitions</b>	-	(43,724)
<b>Financing</b>	1,820,881	1,578,674
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<b>Increase in cash</b>	650,569	653,489
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## **NOTES TO THE FINANCIAL ACCOUNTS**

### **Eighteen Months Ended 31 March 2006**

- 1** The calculation of loss per ordinary share is based on losses of £791,293 (2004: £164,231) and on 354,281,542 ordinary shares (2004: 170,803,279), being the weighted average number of ordinary shares in issue during the period. There is no dilutive effect of share options.
- 2** The comparative figures were for the eighteen months ended 30 September 2004.
- 3** The financial information set out above does not constitute statutory accounts within the meaning of s.240 of the Companies Act 1985.
- 4** Copies of the Statement are available to the public free of charge from the company at Manfield House, 2<sup>nd</sup> Floor, 1 Southampton Street, London WC2R 0LR during normal office hours, Saturdays, Sundays and bank holidays excepted, for 31 days from today.

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