

Regulatory Story

Company [Pan African Resources PLC](#)
TIDM PAF
Headline Further Share Exchange by PAF re
Shanduka/Barberton
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Regulatory Announcement

Pan African Resources plc

(Incorporated and registered in England and Wales under Companies Act 1985

with registered number 3937466 on 25 February 2000)

Share code on AIM: PAF

Share code on JSE: PAN

ISIN: GB0004300496

('Pan African' or 'the Company')

Announcement regarding the:

- * Share exchange by Pan African for Shanduka Gold (Proprietary) Limited's ('Shanduka Gold') 26% shareholding in Barberton Mines (Proprietary) Limited ('Barberton Mines');
- * Disposal by Metorex Limited ('Metorex') of its remaining stake in Pan African;
- * Changes to the Board of Directors of Pan African and Barberton Mines; and
- * Change of Sponsor

1. Transactions become unconditional

Shareholders of Pan African ('Shareholders') are referred to the following announcements:

- * the announcement dated 19 June 2009 regarding the share exchange by Pan African for Shanduka Gold's 26% shareholding in Barberton Mines; and
- * the announcement dated 26 June 2009 regarding the disposal by Metorex of its remaining stake in Pan African (collectively 'the Transactions').

The Directors of the Company, having consulted with RBC Capital Markets, consider that the share exchange with Shanduka Gold is fair and reasonable insofar as all Shareholders are concerned and Shareholders are further advised that all other outstanding conditions precedent to the Transactions have now been fulfilled or waived, save for admission to trading on AIM and the Alternative Exchange of the JSE Limited of the 295,751,549 new ordinary shares issued and allotted to Shanduka Gold in respect of the share exchange for the stake in Barberton Mines. Admission is anticipated to take place on or about 28 August 2009, following which the Transactions will be unconditional in all respects.

2. Changes to the board of directors of Pan African

As a result of the Transactions, Shareholders are advised of the following proposed changes to the Company's board of directors. These are to be confirmed by the board:

- * Mr. Cyril Ramaphosa, Executive Chairman of Shanduka Group (Proprietary) Limited ('Shanduka Group'), will be appointed as non-executive chairman to the Pan African board.
- * Accordingly, Mr. Keith Spencer will continue on the Pan African board as independent, non-executive deputy chairman.
- * Mr. Rowan Smith from Shanduka Group will be appointed as a non-executive director of the Pan African board.
- * Mr. Maritz Smith, previously a representative of Metorex, has resigned with immediate effect as the Financial Director. Mr. Cobus Loots will replace him as Financial Director and join the board of Pan African after the board meeting but will assume all responsibility for the Company's financial matters forthwith.
- * John Hopwood, Rob Still and Jan Nelson remain members of the board.

3. Changes to the board of directors of Barberton Mines

Shareholders are advised of the following changes to the board of directors of Barberton Mines, effective from today's date:

- * Mr. Keith Spencer has been appointed as independent, non-executive chairman of the Barberton Mines board.
- * Ms. Thandeka Ncube from Shanduka Group has been appointed to the Barberton Mines board and will head up transformation initiatives.
- * Recently appointed Executive: Mining Operations, Mr. Mario Gericke has been appointed to the Barberton Mines board.
- * Mr. Cobus Loots has been appointed to the Barberton Mines board.
- * Mr. Charles Needham, Mr. Cyril Ramaphosa and Mr. Rowan Smith have resigned from the Barberton Mines board.
- * Mr. Jan Nelson remains a member of the Barberton Mines board.

4. Change of sponsor

Shareholders are advised that Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited has been appointed as the Company's JSE Limited sponsor with immediate effect.

Jan Nelson, CEO of Pan African commented, 'The finalisation of the Shanduka transaction will be earnings accretive to Pan African, and ensures the company is fully empowered and well positioned to take advantage of South African growth opportunities. In addition, the bolstering of our boards will assist in steering Pan African in its strategic aim to be a low-cost, high-margin, cash flow positive gold mining company. I look forward to growing our business with the new board members.'

Johannesburg

21 August 2009

Sponsor and Corporate Advisor

Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited

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

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