

**Headline:** Interim Results  
**Released:** 07:04 13-Jun-05  
**Number:** PRNUK-2906

## **PAN AFRICAN RESOURCES PLC**

### **Six Month Interim Statement at 31 March 2005 and Operational Review**

During the period under review, the Group returned a loss of £91,373 as compared with a loss of £164,231 in the eighteen-month period to 30 September 2004.

As at the date of this report the Company has a cash balance of approximately £ 590,000.

Drilling has taken place during the period in the group's exploration projects in Mozambique and Ghana. In Ghana the company has increased its knowledge and data base by completing a 6,358m, 104 reverse circulation drill hole programme on two of the three prospect areas in its Wa project.

At the Julie prospect the strike extension of the mineralization was increased by 400m to the west and some 300m to the east and the new interpretation shows three reef systems with continuity of mineralization without offset by dextral faults as the step like feature of the 'ore bodies' is related to change in dip of the quartz veins / shear. The company's current estimate of resource in this prospect is 245,000 ounces of gold. Interpretation work is ongoing.

Of the total drilling programme above, 23 RC holes (1,545m) were drilled at the Collette prospect which tested 4 zones of workings over quartz veining over 1.7 km of strike and a mixed zone of quartz veining and disseminated mineralization over some 400m of strike. Gold mineralization was intersected in all zones and an estimated resource of 81,000 ounces of gold has been inferred in one area. The exploration programme is ongoing.

At Josephine, the third of the company's prospects at Wa, a previous estimate inferred a resource of 61,400 ounces of gold at the Josephine north prospect. Work is now progressing on two other untested large geochemical anomalies trending to the north west over more than 1.5km each.

Accordingly the company's estimate of the total inferred resource at the Wa Gold Project stands at 387,400 oz of gold.

In Mozambique at the company's Manica Prospect area recent drilling together with previous work indicates an inferred resource of approximately 200,000 ounces of gold. The results of this drilling have clarified our understanding of the distribution of mineralization. Exploration work continues towards a second drill programme to further test the Fair Bride - Dot's Luck zone and also a target at Boa Esperanca.

The gold market remains buoyant and your company remains focused on gold exploration in Africa. To this end the Company is currently looking at two opportunities, one in Madagascar and the other through its relationship with Pangea Exploration Pty Limited ('Pangea') is in the C.A.R. (Central African Republic).

Both these opportunities are at an early stage of evaluation and negotiation and the Company will make further announcements as appropriate.

In addition, the Company is evaluating other opportunities in a number of African regions and announcements will be made in due course as appropriate.

As indicated above the directors are actively seeking new opportunities as well as developing the Company's existing interests in order to deliver returns to shareholders. The directors are optimistic that there will be further progress made in the coming months.

By Order of the Board

Colin Bird  
Chairman  
Date: 29 June 2005

Enquiries:

C. Bird, Pan African Resources Plc  
Tel. 07768 397627

Ben Simons  
Hansard Communications  
Tel. 020 7245 1100

**UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE SIX MONTHS ENDED 31 MARCH 2005**

	Six-Month Ended 31.3.2005	Eighteen-Month Ended 30.9.2004
	£	£
Administrative expenses - (operating loss)	(100,944)	(178,374)
Interest receivable	9,571	14,143
	-----	-----
Loss on ordinary activities before taxation	(91,373)	(164,231)
Tax on loss on ordinary activities	-	-
	-----	-----
Loss for the financial period	(91,373)	(164,231)
	=====	=====
Loss per ordinary share - basic	(0.03p)	(0.09p)
	=====	=====

**UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005**

	Six-Months Ended Ended 31.3.2005	Eighteen-Months Ended Ended 30.9.2004
	£	£
<b>FIXED ASSETS</b>		
Intangible assets	4,245,183	3,831,710
Investments	24,200	24,200
	-----	-----
	4,269,383	3,855,910
<b>CURRENT ASSETS</b>		
Debtors	-	18,434
Cash at bank	696,704	1,224,133
	-----	-----

	696,704	1,242,567
Creditors: amounts falling due within one year	(66,146)	(107,163)
	-----	-----
	630,558	1,135,404
	-----	-----
Total assets less current liabilities	4,899,941	4,991,314
	=====	=====
<b>CAPITAL AND RESERVES</b>		
Share capital	3,520,000	3,520,000
Share premium account	2,404,829	2,404,829
Merger reserve	1,485,000	1,485,000
Profit and loss account	(2,509,888)	(2,418,515)
	-----	-----
Shareholders' funds	4,899,941	4,991,314
	=====	=====

#### **UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 31 MARCH 2005**

	Six Months Ended 31.03.2005	Eighteen Months Ended 31.09.2004
	£	£
<b>CASH FLOW STATEMENT</b>		
Net cash outflow from operating activities	(123,527)	(118,199)
Returns on investments and servicing of finance	9,571	14,143
Capital expenditure and financial investment	(413,473)	(777,405)
Acquisitions	-	(43,724)
Financing	-	1,578,674
	-----	-----
Increase/ (Decrease) in cash	(527,429)	653,489
	=====	=====

## **NOTES TO THE UNAUDITED INTERIM ACCOUNTS**

Six Months Ended 31 March 2005

1. The calculation of earnings per share is based on the losses of £91,373 and on the number of shares in issue being the adjusted weighted average number of shares in issue totalling.

The fully diluted earnings per share are based on 352,000,000 ordinary shares allowing for the full exercise of outstanding share purchase options and the earnings as stated above. There is no dilutive effect in the period and in the previous period in accordance with FRS 14 paragraph 56.

2 The current period for the company is a twelve-month period ending 30 September 2005.

3 The comparative figures were for the eighteen-month period ended 30 September 2004.

4 The interim statement for the six months ended 31 March 2005 is unaudited and was approved by the Directors on 29 June 2005. The financial information set out above does not constitute statutory accounts within the meaning of s.240 of the Companies Act 1985.

5 Copies of the Interim Report are available to the public free of charge from the company at Manfield House, 2nd Floor, 1 Southampton Street, London WC2R 0LR during normal office hours, Saturdays, Sundays and bank holidays excepted, for 31 days from today.

END