

Regulatory Announcement

Company [Pan African Resources PLC](#)
TIDM PAF
Headline Statement re Results of Manica Pre-Feasibility Study
Released 08:00 04-Jun-09
Number 91643-5333



4 June 2009

Pan African Resources PLC

('Pan African' or the 'Company')

(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

Results of Manica pre-feasibility study

Pan African announces the results of the preliminary in-house pre-feasibility study conducted on the Manica (Fairbride) project. Several components of the study have been signed off by independent consultants, including the mine design, resource estimate and the environmental impact assessment. Capital expenditure estimates and plant design have been reviewed internally.

The pre-feasibility study was based on the Manica resource of 2.571Moz (33.8Mt @ 2.36g/t) as announced on 26 February 2009.

After completing a modelling exercise using the internationally-recognised Surpac 3D mine design modelling system, the Company plans to apply a two-phased approach to the mine design. Phase one of the design will incorporate an open-pit design, mining to a vertical depth of 30m. Phase two will see the Company move production underground where various mining methods will be applied depending on geological conditions.

The refractory part of the mineralized zone representing 93% of estimated resources will require the construction of both a BIOX® plant - using the technology in place at Barberton Mines, Pan African's South African gold mining operation as well as a Carbon-in-Leach ('CIL') plant. The CIL is the less costly of the two, encouraging the Company to seek to consolidate further assets in the area with oxide material which can be mined delaying the investment in the BIOX® processing plant.

The Company has been engaging with other exploration parties operating in the Manica district with the full support and encouragement of the Mozambique Ministry of Mineral Resources, in an effort to consolidate additional resources in the area. If successful, this could further improve the financial parameters of the project.

Preliminary Financial modelling and results

Plant capacity 80 000 tonnes per month

Plant Recovery factor 86.5%

Production rate 80 000 tonnes per month

Total tonnage to be produced during LOM 9.26Mt

LOM in years 11 years

Total content delivered to mill 917 000 oz

Capital cost estimate US\$ 80 million

Total mining cost US\$ 375/oz

Discount rate applied 15 %

Gold price US\$ 750/oz

NPV US\$ 45 million

IRR 32%

An external Mozambique-based consultancy, Geoide Consultoria LDA, identified no anomalous issues or risks in the Environmental Impact Assessment of the proposed Fairbride operation.

'We're pleased with our findings and are working towards consolidating other potential mineralised areas in the district to grow our current resources, further our optimisation work and receive independent verification. The next step will be completing a Bankable Feasibility Study.' commented Jan Nelson, CEO of Pan African.

ENDS

Details of independent consultants:

Martin Bevelander, a registered competent person with the South African Council for Natural Science Professions ('SACNASP'), signed off on the resource statement for Manica. Mr Bevelander has reviewed this announcement and consents to the inclusion of the technical information in the form and context in which it appears.

Deon van der Heever from Geologix, an independent competent person registered with SACNASP, signed off on the block and geostatistical model for Manica.

Hannes Miller, from RHC Consultants signed off as an independent consultant on the mine design for Manica

Dinis Napido, from Geoide Consultoria LDA, conducted an independent Environmental Impact Assessment.

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