

Regulatory Story

Company [Pan African Resources PLC](#)
TIDM PAF
Headline Barberton Tailings Retreatment Plant.
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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

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ISIN: GB0004300496

Ground-breaking event marks the start of construction of Pan African's Barberton Tailings Retreatment Plant.

Pan African has today commenced bulk earthworks for the construction of its Barberton Tailings Retreatment Plant ("BTRP"), to be constructed on the Barberton Property, adjacent to the current Bramber tailings dam.

The commencement of bulk earthworks marks the start of the civil work that will entail bulk excavations for creating the terracing of the BTRP which will become the foundation for the mechanical construction of the Carbon-in-Leach tanks, scheduled to commence in June 2012.

Management contractor firm, Basil Read-Matoma, which designed the plant and will procure and construct it, has established itself on site with a temporary office. The team will be on site for the next two years, until the commissioning of the plant, which is scheduled for April 2013, ramping up to full production in August 2013.

Jan Nelson CEO of Pan African Resources was on site to break ground and noted: "The beginning of construction on this plant resembles a mirror image of our successful Phoenix platinum project. The BTRP is no more complex than Phoenix but is a much larger scaled project and will enable 100 tons of feed an hour, compared to the current 30 tons an hour at Phoenix. We have the same highly skilled team from Basil Read-Matoma dedicated to this project who will work together with our management team at Barberton. I am therefore confident of the same outcome for a successful commissioning in April 2013."

ENDS

About the project

The BTRP comprises a total resource of ~654koz (13.7Mt @ 1.38g/t) and a reserve of ~248koz (13.7Mt @ 0.56g/t)

The BTRP has been designed to treat 100,000 tons tailings per month through a Carbon in Leach circuit using electro-winning and smelting to produce a saleable product. Current tailings from the Fairview Concentrator and the Fairview BIOX(®) plant totalling 14,000 tons per month will be routed via a pipeline to the BTRP for treatment and 86,000 tons per month will be reclaimed from the Bramber tailings storage facility .

The electric power requirement of 6000kW to the BTRP will be supplied via an

overhead 11kV line from the South African electricity utility, Eskom.

At a gold price of ZAR400,000 per kilogram Phase One of the project indicates an NPV of GBP27 million, at a total cash cost of ZAR194,000 per kilogram (ZAR114 per ton) over the life of the project. Capex is estimated at GBP27 million (ZAR325 million) over a three year period. Phase One is expected to retreat 1.2 Mt of gold tailings per annum, with a total life of project production of 160, 000oz of gold at an average recovered grade of 0,54g/t. This would increase the annual production profile at Barberton by approximately 20,000 oz per annum.

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