

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

("the Company")



Provisional Summarised Audited Results and Proposed Dividend for the year ended 30 June 2019

Chief executive officer's statement

Pan African CEO Cobus Loots commented:

"This was a pivotal year for the group as we successfully repositioned our operations as one of South Africa's lowest cost gold producers, focused on delivering safe and profitable ounces from our Evander and Barberton operations. Our all-in sustaining cost per ounce was reduced by 27.2% to USD988/oz (2018: USD1,358/oz). Underpinning our strong operating performance and the delivery of 172,442oz to exceed our production guidance, is our commitment to safety and fostering a culture focussed on creating sustainable value for all our stakeholders. Group leadership is committed to effective ESG management and we are extremely pleased with our operational performance and also with progress on broader societal initiatives achieved in the year.

These positive results reflect the efforts of the team to implement our strategy as we capitalise on the opportunities in our portfolio and invest in future growth. Our production guidance of 185,000oz for the 2020 financial year is a substantial increase from the year past. The Egoli Project and our new optimisation projects at Evander and Barberton present compelling near and mid-term growth opportunities within our portfolio that will also support an increase in our production profile. The successful execution of Elikhulu has enhanced our reputation of building value from our tailings operations. In addition to maximising the value of our own asset portfolio, we will continue to assess other value accretive opportunities.

The board is pleased to propose a final dividend of R50 million (USD3.4 million). The re-initiation of dividends demonstrates the progress our group has made in the last year.

We enter the new financial year with confidence, a firm grasp on our cost base, and in a good position to benefit from the current gold price environment. In the year ahead, we will focus on debt reduction, whilst also continuing to invest in our business."

Key features

- Gold production from the group's continuing mining operations increased by 54.1% to 172,442oz (2018: 111,879oz), exceeding the full-year production guidance of 170,000oz.
- Group revenue from continuing operations, in USD terms, increased by 49.1% to USD217.4 million (2018: USD145.8 million), due to an increase in gold ounces produced by the BTRP, the contribution from the newly commissioned Elikhulu Project and Barberton Mines' underground mining operations.
- Group profit after taxation increased to USD38.0 million (2018: loss after taxation USD122.8 million).
- Earnings per share ("EPS") increased significantly to 1.97 USD cents per share (2018: 6.79 USD cents loss per share).
- Headline earnings per share ("HEPS") increased by 20.2% to 1.19 USD cents per share (2018: 0.99 USD cents per share). HEPS was supported by improved headline earnings, even though the weighted average number of shares in issue increased by 6.6% year-on-year

DIVIDENDS

Proposed dividend for the financial year ended 30 June 2019

The board has proposed a final dividend of R50 million for the 2019 financial year or approximately USD3.4 million equating to 2.23745 ZAR cents per share or approximately 0.12660 pence per share (0.15169 USD cents per share) (2018: 0.00 ZAR cents per share). This dividend is subject to approval by shareholders at the AGM, which will take place on Thursday, 28 November 2019.

Assuming the final dividend is approved by shareholders, the following salient dates would apply:

Currency conversion date	Thursday, 28 November 2019
Currency conversion announcement released by 11:00 (SA time)	Friday, 29 November 2019
Last date to trade on the JSE	Tuesday, 10 December 2019
Last date to trade on the LSE	Wednesday, 11 December 2019
Ex-dividend date on the JSE	Wednesday, 11 December 2019
Ex-dividend date on the LSE	Thursday, 12 December 2019
Record date on the JSE and LSE	Friday, 13 December 2019
Payment date	Monday, 30 December 2019

The GBP and USD proposed final dividend was calculated based on 2,234,687,537 total shares in issue and an illustrative exchange rate of R18:25 and R14.75 respectively. Shareholders on the London register should note that a revised exchange rate will be communicated in due course.

No transfers between the Johannesburg and London registers between the commencement of trading on Wednesday, 11 December 2019 and close of business on Friday, 13 December 2019 will be permitted.

No shares may be dematerialised or rematerialised between Wednesday, 11 December 2019 and Friday, 13 December 2019, both days inclusive.

The South African dividends tax rate is 20% per ordinary share for shareholders who are liable to pay the dividends tax, resulting in a net dividend of 1.78996 ZAR cents per share for these shareholders. Foreign investors may qualify for a lower dividend tax rate, subject to completing a dividend tax declaration and submitting it to Computershare Investor Services Proprietary Limited or Capita Plc who manage the SA and UK register, respectively. The company's South African income tax reference number is 9154588173. The proposed dividend will be paid out of the company's retained earnings, without drawing on any other capital reserves.

The Company has a dual primary listing on the JSE in South Africa and the AIM market of the London Stock Exchange.

The information in this announcement has been extracted from the Provisional Summarised Audited Results for the year ended 30 June 2019, but the short-form announcement itself has not been reviewed by the Company's auditors. The Provisional Summarised Audited Results have been prepared under the supervision of the Financial Director, Deon Louw.

This short form announcement is the responsibility of the directors and is only a summary of the information contained in the full announcement which is accessible via the JSE link at

<https://senspdf.jse.co.za/documents/2019/jse/isse/pan/FYE2019.pdf>

Copies of the full announcement are available on request by emailing ExecPA@paf.co.za.

Any investment decisions should be based on the full announcement and the group's detailed operational and financial summaries which are disclosed on the Pan African website at

<http://www.panafricanresources.com/investors/financial-reports/>

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Meeting and conference call details are as follows:

DATE: 18 September 2019

TIME: 11:00 (SAST time), 10:00 (UK time)

VENUE: Batha Room, 54 on Bath, 54 Bath Avenue, Rosebank, Johannesburg

For those attending in person

Parking is available at Rosebank Mall. Refreshments will be served after the presentation.

For those dialling in

A live teleconference facility is available for dial-in participants on the following numbers. Please ask to be joined to the Pan African Resources PLC call and provide your name and company upon entering the call.

UK listeners: 0 333 300 1418

SA listeners: 010 201 6800

South Africa toll free: 0800 200 648