



PAN AFRICAN
RESOURCES
PLC

EUROPEAN GOLD FORUM 2019

9 - 11 APRIL 2019

PROFITABLE • SUSTAINABLE • STAKEHOLDERS • GROWTH

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Statements in this report that address exploration activities, mining potential and future plans and objectives of Pan African Resources are forward-looking statements and forward-looking information that involve various risks, assumptions and uncertainties and are not statements of fact.

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OVERVIEW OF PRESENTATION



- SA mining climate
- Pan African Resources – safe, low cost and sustainable gold producer
- Our operations
 - › Tailings gold production and costs - turning liabilities into profits
 - › Barberton Mines’ - underground operations: | 30 year mining legacy and counting
 - › Group - total gold production and costs
- Where to from here?
- Summary of investment case



SOUTH AFRICAN MINING CLIMATE

- **South Africa – a country built on its mining sector**

- › 150 years of mining history
- › Readily available technical support and equipment
- › Well developed infrastructure
- › Skilled and experienced workforce – PAR’s Barberton Mines has 3 year wage agreement in place
- › 51K MVA installed electricity capacity – highest in Africa despite current power woes, miners enjoy priority usage

Timing, costing and execution of PAR’s Elikhulu project – example of what is possible in SA mining sector

- **Direct government support for mining industry and improving investment climate**

- › Certainty provided by new mining charter
- › Current ANC government pro-growth, May 2019 elections expected to strengthen mandate
- › Government pledged to support South African mining sector
- › Constitution democracy and well functioning judiciary
- › Sophisticated finance sector
- › Active drive against corruption

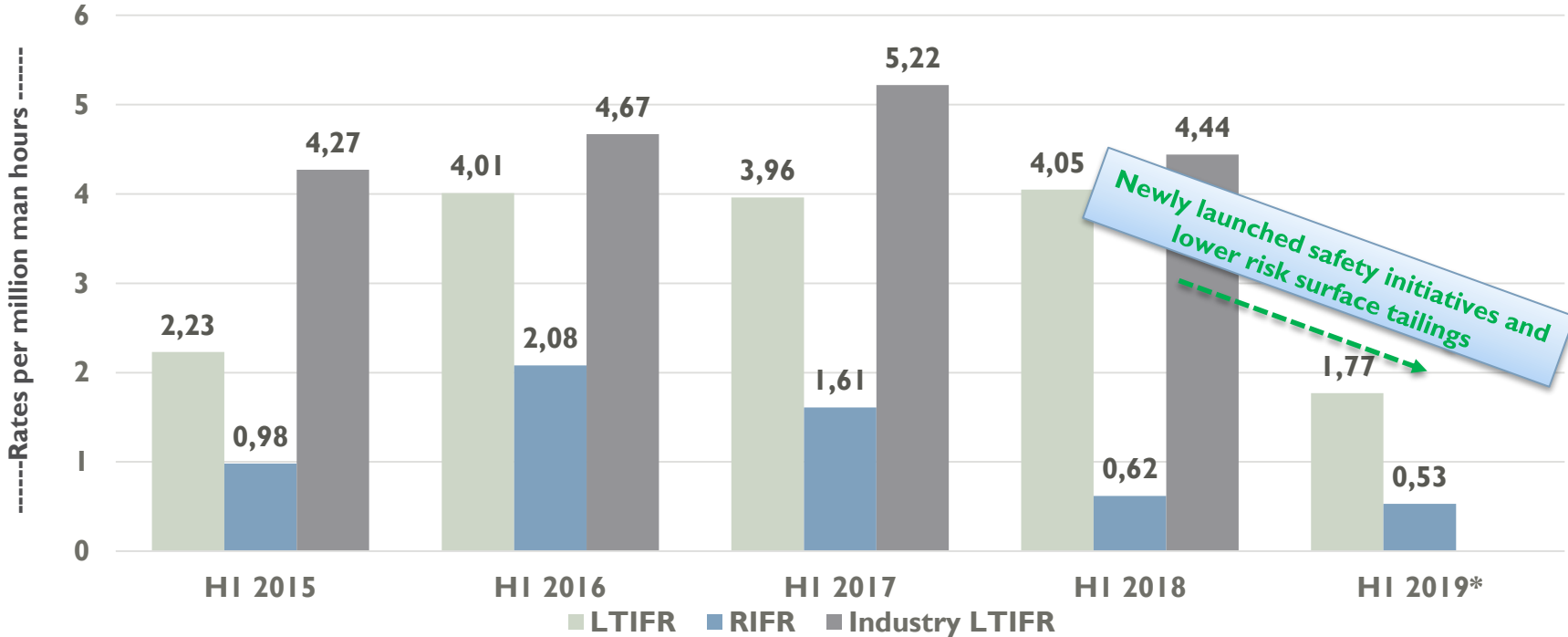
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SAFE, LOW-COST AND
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Pan African Group safety rates



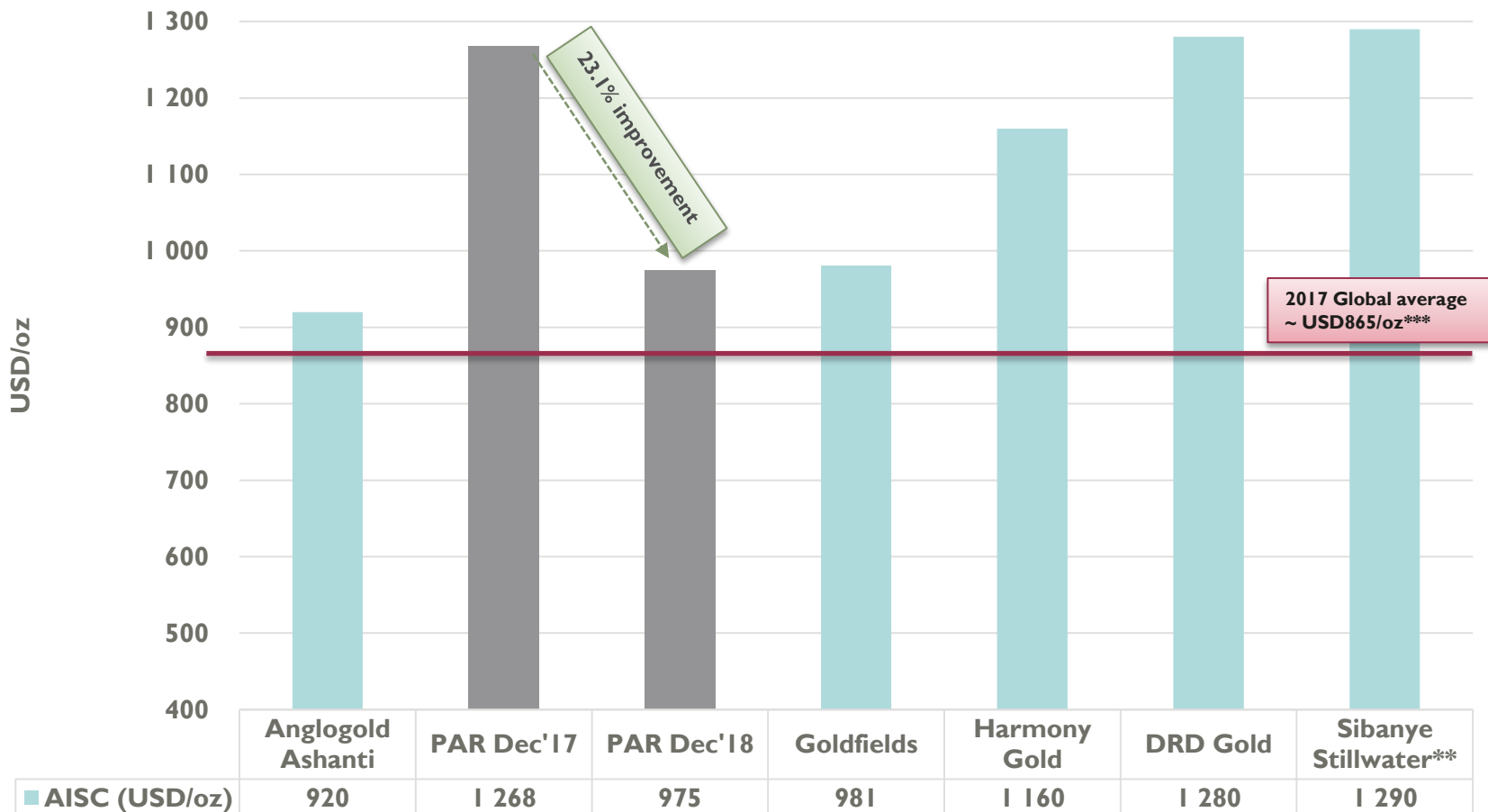
* Industry rates not available yet

Notwithstanding the fact that injury rates are well below industry average, we continuously strive to improve our safety rates and achieve our aim of zero harm to our employees

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Pan African Resources vs SA producers and global producers



* As per each company's latest published results

** Sibanye Stillwater includes 2 months figures of DRD Gold incorporated in their results

*** Source: CITI Bank, Gold Market Update – October 2018

PAN AFRICAN RESOURCES – SAFE, LOW-COST AND SUSTAINABLE GOLD PRODUCER



Environmental, Social and Governance compliance (ESG)

Group environmental responsibility*

- Fully funded rehabilitation fund of USD26.4 million
- BIOX® - green processing technology developed at Barberton
- Cyanide detoxification plants, operating where required
- Elikhulu tailings storage facility expansion lined in accordance with regulations
- Approved water-use licences at all operations
- Ongoing rehabilitation on all sites

Governance*

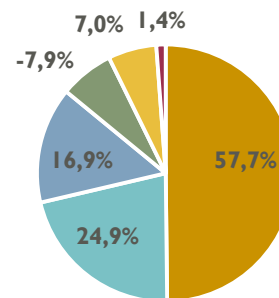
- King IV Code compliant, JSE and AIM oversight
- External assurance – PwC, BDO, legal review on mining licences and documentation

Group social responsibility*

- Group spend on CSI and LED initiatives amounted to USD0.9 million for the six months ended 31 December 2018
- Barberton Mines Transformation Trust – 184 employment opportunities created to date

Group value created during interim period USD97.9 million

6 Months ended 31 December 2018



■ Suppliers
 ■ Employees
 ■ Reinvested
■ Taxation
 ■ Finance costs
 ■ CSI

* Additional information available in group Integrated Report on company website
Exchange rate used for conversion of ZAR to USD - 14.00:1

PAN AFRICAN RESOURCES – SAFE, LOW-COST AND SUSTAINABLE GOLD PRODUCER



Pan African Resources' track record of disciplined capital allocation

Project	Investment capital/ purchase price (\$'m)	Forecast payback period
BTRP	~23.2	Paid back in 18 months
ETRP	~12.4	Paid back in less than 3 years
Elikhulu	~124.3*	Forecasting 4 years payback (Excl. ETRP expansion)

* Estimated capital spend excluding IFRS related cost re-allocations



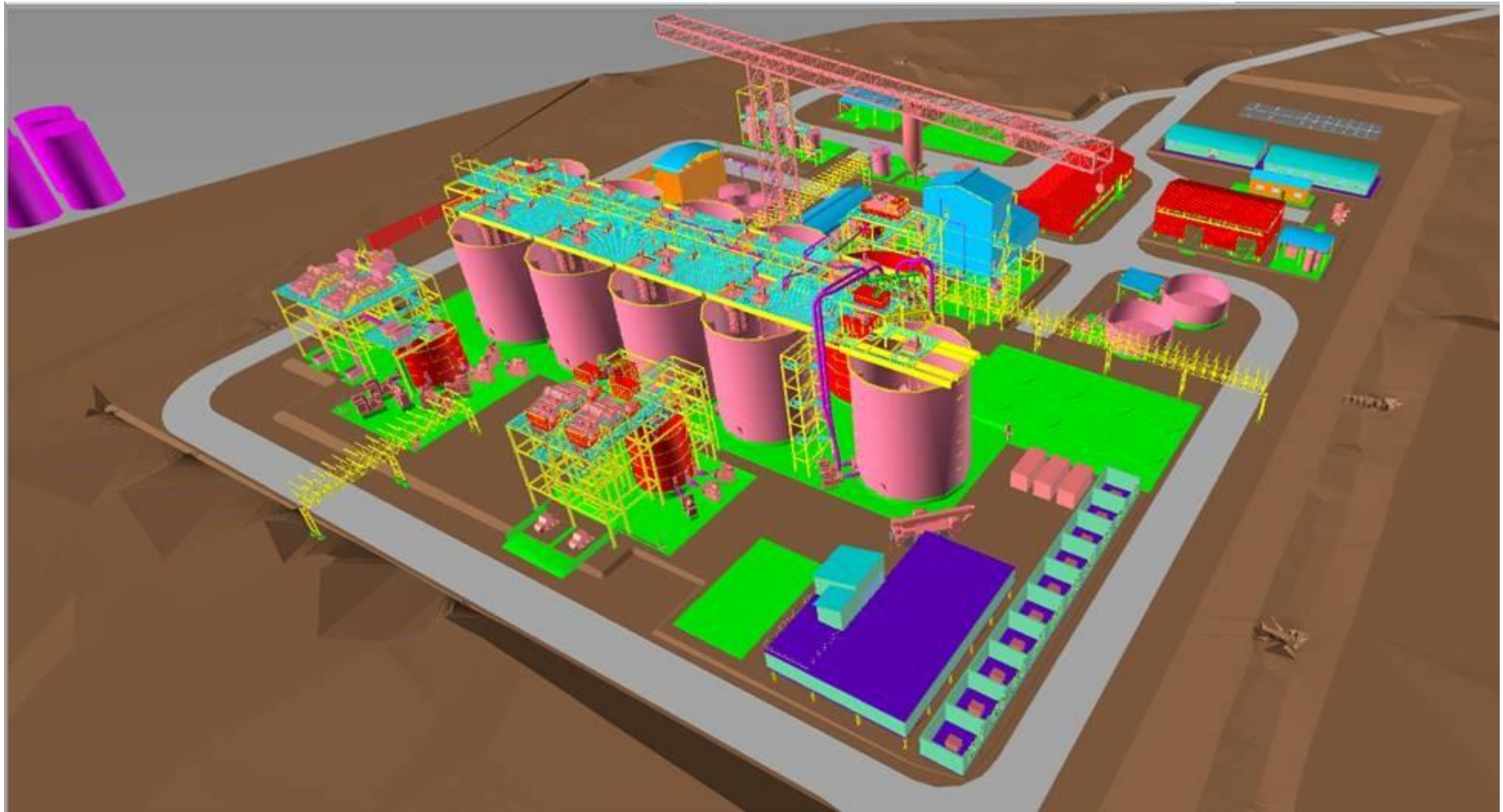
Image: Barberton Tailings Retreatment Plant
Exchange rate used for conversion of ZAR to USD - 14.00:1)

PAN AFRICAN RESOURCES – SAFE, LOW-COST AND SUSTAINABLE GOLD PRODUCER



Elikhulu tailings retreatment plant

Original design



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Elikhulu tailings retreatment plant

Actual completed plant





OUR OPERATIONS

Group gold and production costs

GEOGRAPHICAL MAP



OUR OPERATIONS – GOLD PRODUCTION AND COSTS

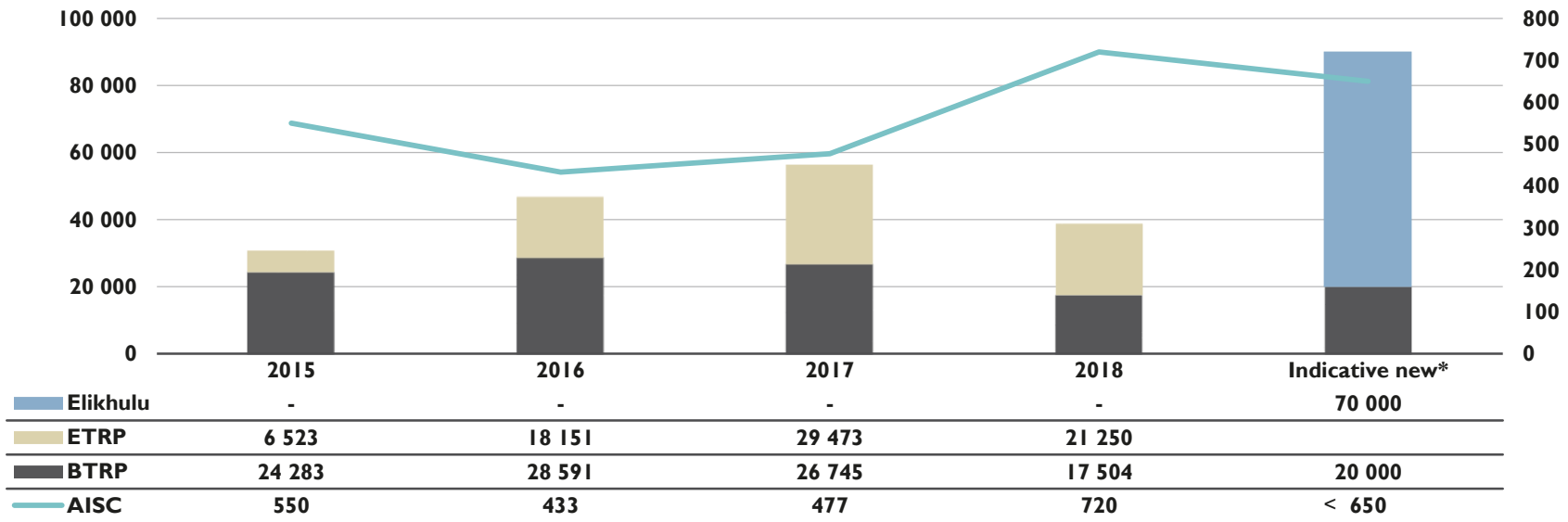


Pan African Resources' - tailings production

Pan African Resources Group Tailings

- Forecasted production of ~90,000oz p/a from tailings operations
- AISC forecast <USD650/oz (@\$/R14.00)
- Sustaining capital of ~USD1.4 million (@\$/R14.00)
- Surface resources of 2.8 million gold ounces

“Turning rehabilitation liabilities into profits”



* Group indicative annualised tailings production and costs, excluding growth projects

OUR OPERATIONS – HIGH QUALITY UNDERGROUND OREBODIES

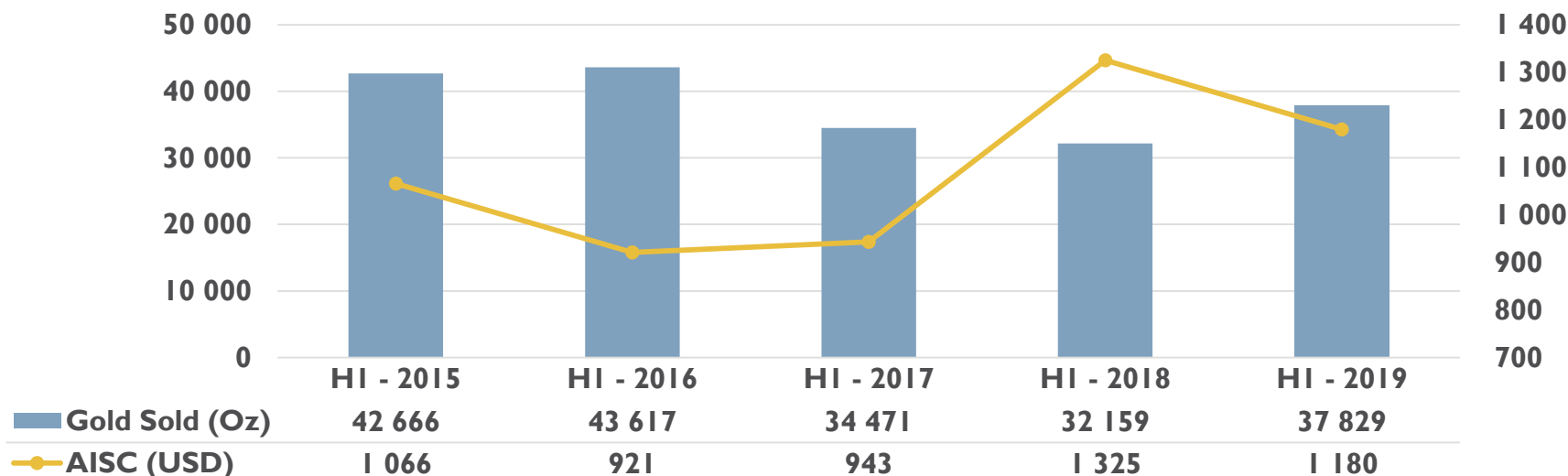
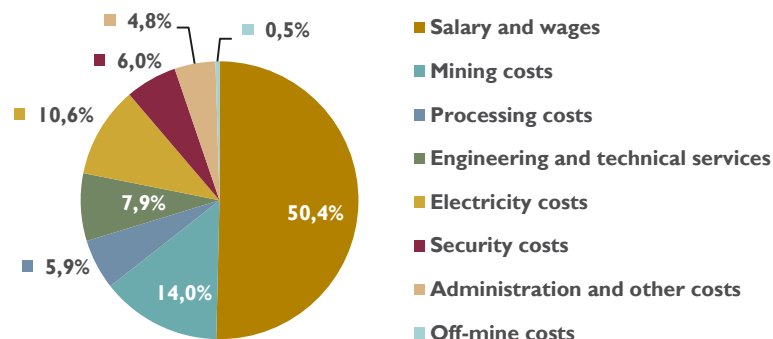


Pan African Resources' - underground production

Barberton Mines – 130 year mining legacy and counting

- Average underground head grade >10g/t
- LOM of 20 years
- Forecasted production of ~80,000oz p/a from underground sources
- AISC forecast at <USD1,100/oz (@\$/R14.00)

BML U/G Operating Costs - Current Year



OUR OPERATIONS – GROUP GOLD PRODUCTION AND COSTS



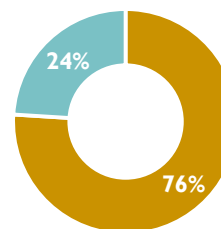
Pan African Resources' annual group production

Pan African Resources Group Total

- Forecasted production ~170,000oz p/a from continuing operations
- AISC forecast <USD950/oz (@\$/R14.00)
- Sustaining capital of ~USD10.7 million p/a (@\$/R14.00)
- Resources of 33.3 million gold ounces

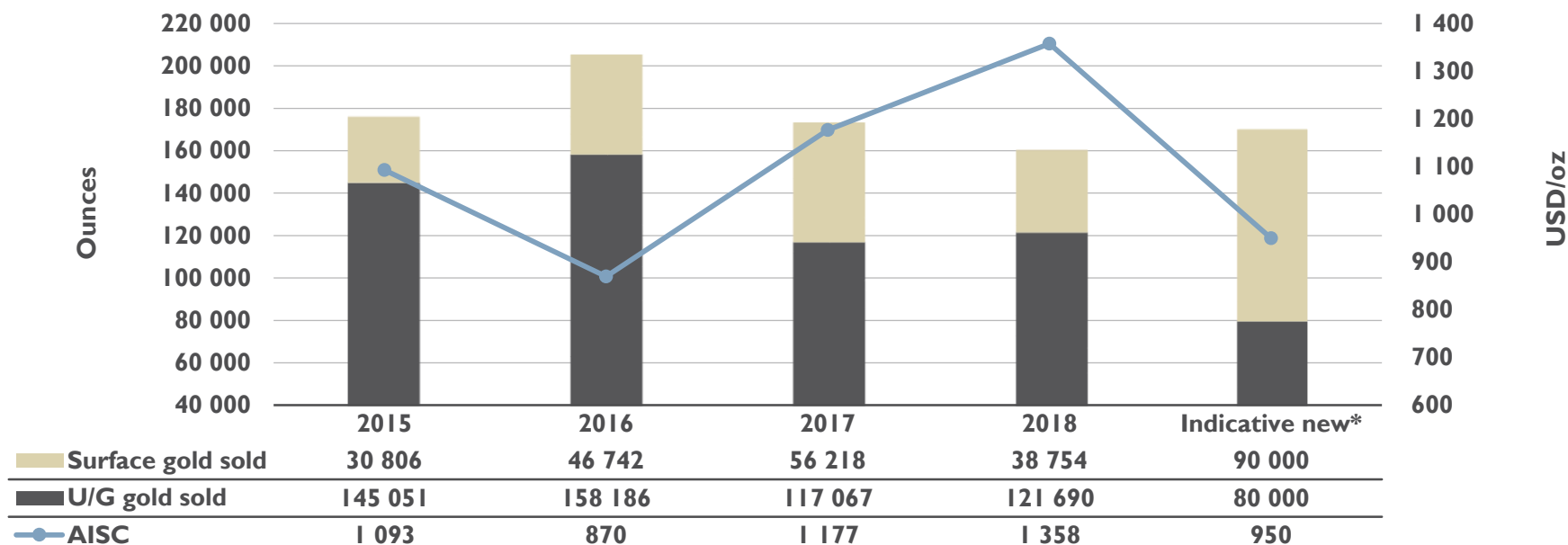
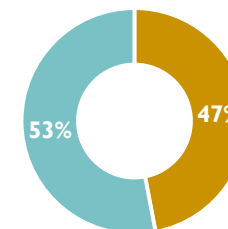
2018 Gold mix

■ Underground ■ Surface

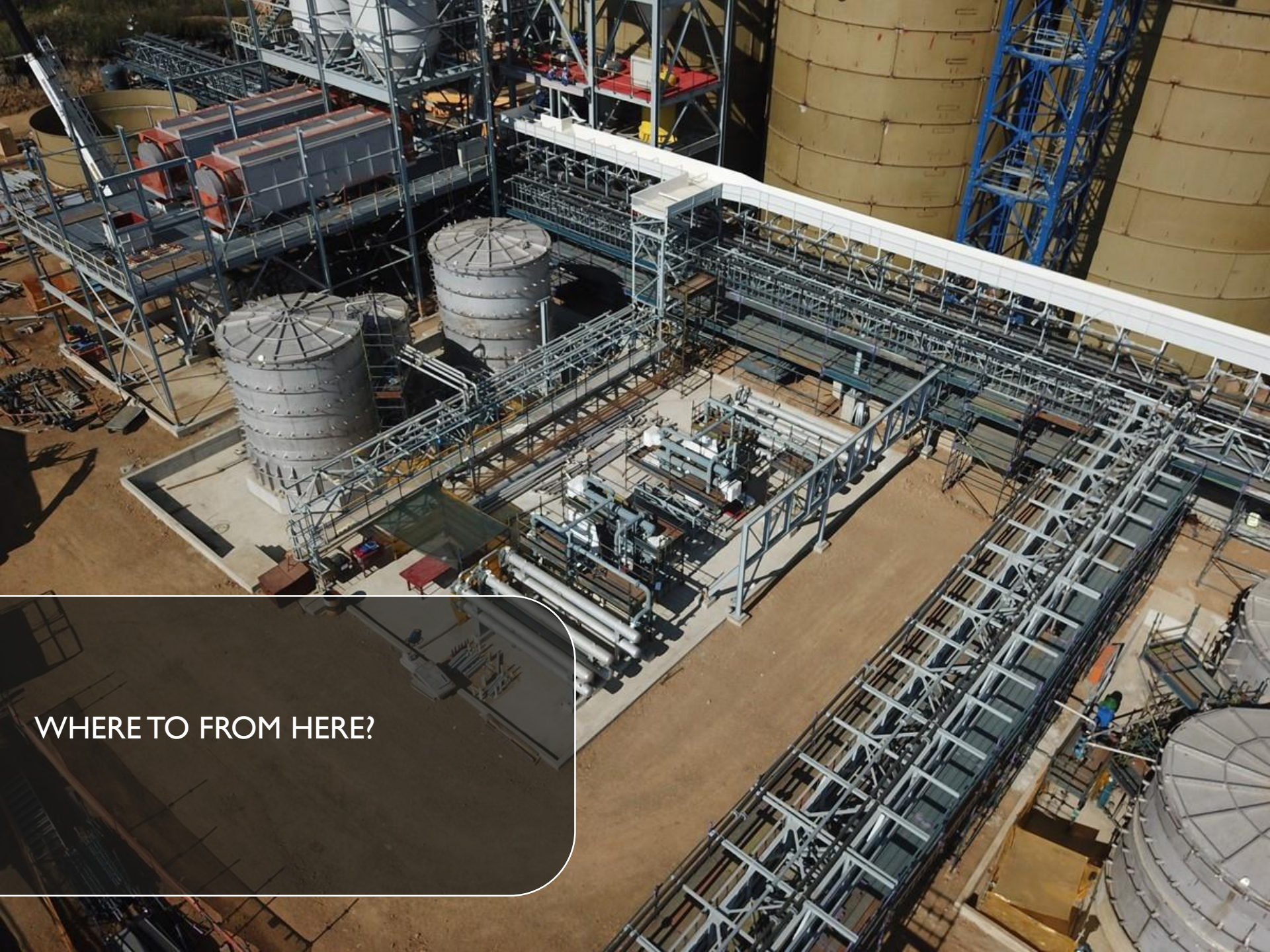


New Gold mix

■ Underground ■ Surface



* Group indicative annualised production and costs, excluding growth projects

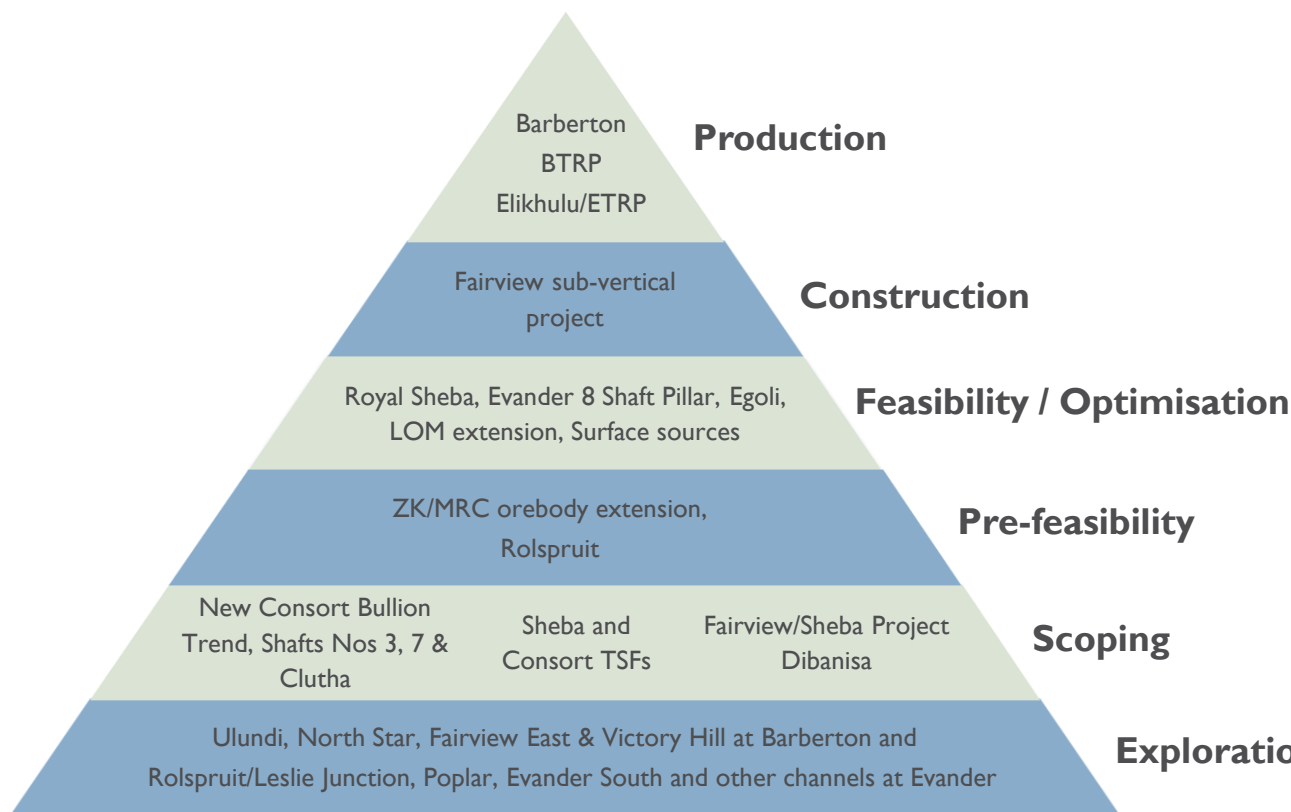


WHERE TO FROM HERE?

WHERE TO FROM HERE?

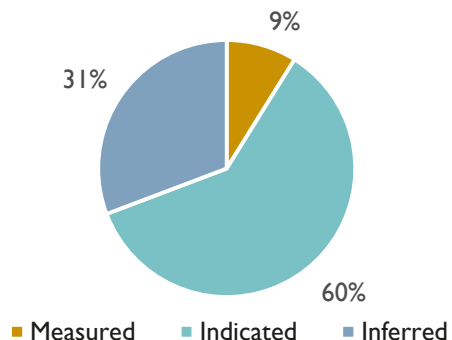


Growth portfolio Strong track record of delivery



Group Resources

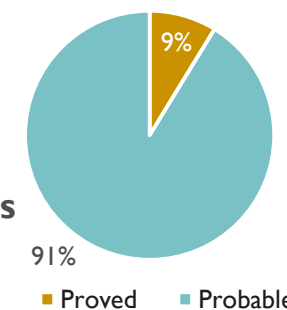
33.3Moz (331.2Mt @ 3.13g/t)



	Tonnes (Mt)	Grade (g/t)	Gold (t)	Gold (Moz)
Underground Combined	98.1	9.68	949.0	30.5
Surface Combined	233.1	0.37	86.4	2.8
TOTAL	331.2	3.13	1035.5	33.3

Group Reserves

11.2Moz (239.1Mt @ 1.46g/t)



	Tonnes (Mt)	Grade (g/t)	Gold (t)	Gold (Moz)
Underground Combined	36.0	7.68	276.7	8.9
Surface Combined	203.1	0.35	71.7	2.3
TOTAL	239.1	1.46	348.4	11.2

WHERE TO FROM HERE?



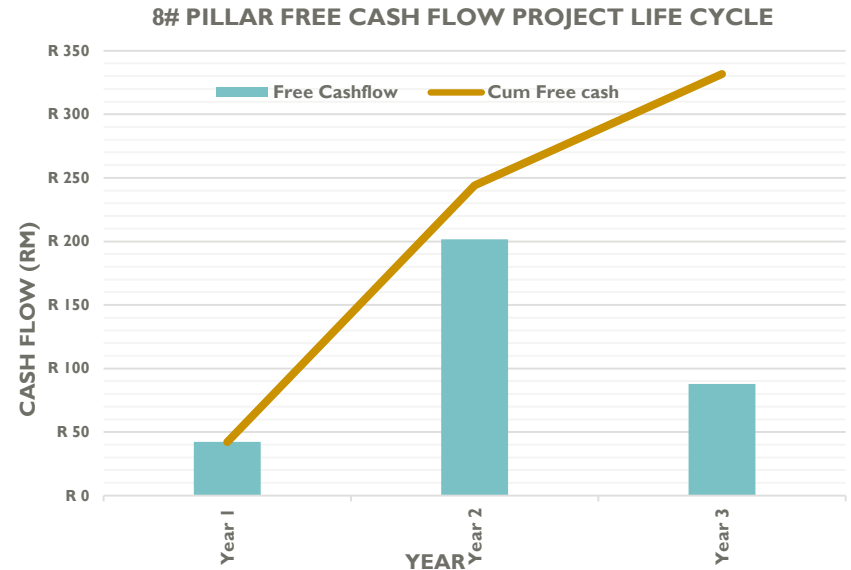
8 Shaft Pillar project overview

- Feasibility study completed – optimisation studies being finalised
- LOM of three years at 11.5ktpm producing 30koz per annum with peak production in year two at 39koz
- Up-front capital of ~USD1.1 million (@\$/R14.00)
- Minimal additional capital requirement of USD2.9 million (@\$/R14.00)
- Final investment decision – March 2019

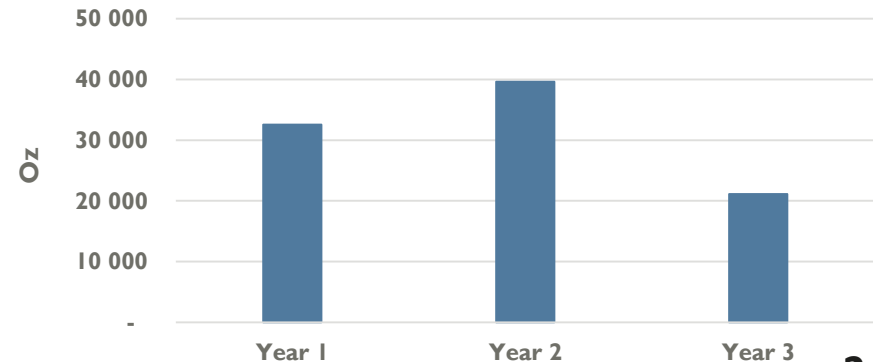
Key Metrics (@\$/R14.00)

CAPEX (USD-million)	USD4.0
NPV (USD-million) (Real, pre-taxation) @10%	USD19.4

Annual and Cumulative Free Cash



LOM Production Profile (Gold ounces)

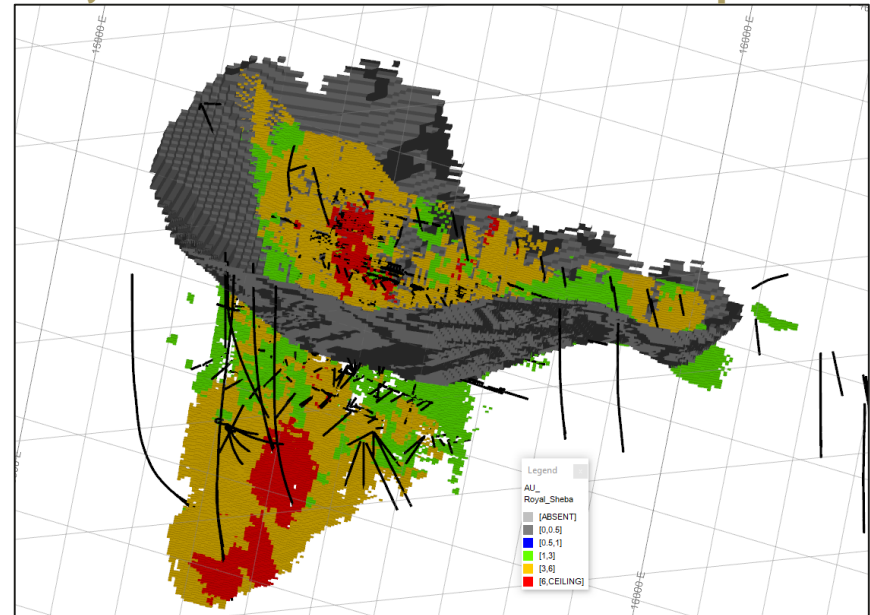


WHERE TO FROM HERE?

Royal Sheba project overview

- Surface drilling at Royal Sheba commenced in June 2018. Targeting the surface expression of the Royal Sheba shear zone associated with the regional Sheba fault
- Drilling of 40 surface holes, with lengths between 80m and 250m, completed in November 2018
- The drilling delineated an orebody with a strike length of 900m and width of between 8m and 25m dipping at 50° to the South and is open at depth
- Logging and assaying were incorporated in an updated Mineral Resource model and audited by SRK Consulting
- The updated Mineral Resource model is subjected to a feasibility study estimated to be completed by end February 2019

Project isometric with economic pit shell



Project Mineral Resources declared

As at 31 December 2018	Category	Contained gold			
		Tonnes million	Grade g/t	Tonnes (Gold)	Ounces (Koz)
Open Cast Mineral Resource (0.5g/t cut-off)	Measured	3.10	2.10	6.52	210
	Indicated	2.32	1.84	4.28	138
	Inferred	0.43	1.56	0.67	22
	Subtotal	5.85	1.96	11.48	369
Underground Mineral Resource (1.7g/t cut-off)	Measured	0.95	3.62	3.45	111
	Indicated	1.52	4.24	6.46	208
	Inferred	0.64	3.38	2.16	69
	Subtotal	3.12	3.87	12.06	388
Total		8.97	2.62	23.54	757

WHERE TO FROM HERE?

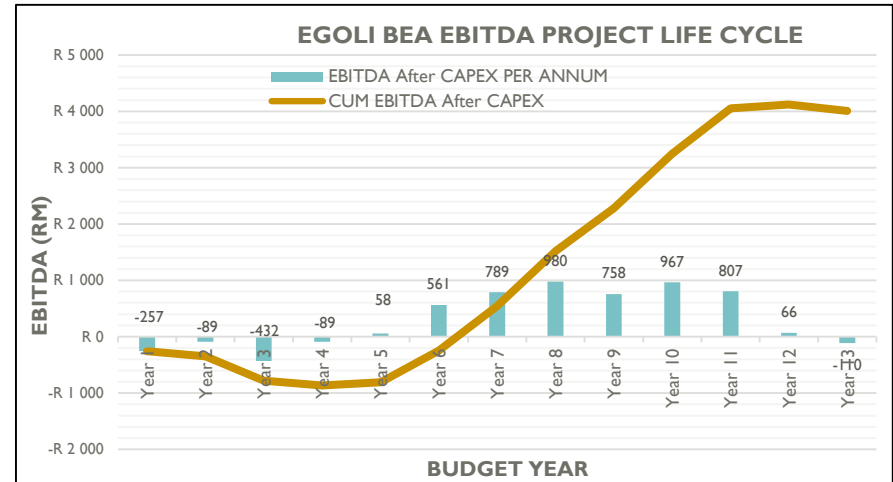
Egoli project overview

- An orebody adjacent to Evander's No 7 Shaft infrastructure. The Project will use the established No 7 Shaft and metallurgical facilities, which are approximately 3km from the shaft infrastructure
- Historical development at 7 Shaft has made ready access to the orebody possible within a relatively short timeframe coupled with low execution risk
- The Project has more than one-million ounces of contained gold in measured and indicated categories
- Following the closure of 8 Shaft, DRA Global has been mandated to review the mining feasibility study into the viability of the Project on a standalone basis including a new processing plant
- Subsequent optimisation studies have shown improved financial metrics for this project as shown hereunder. The confidence level of the optimisation study is being taken to feasibility level

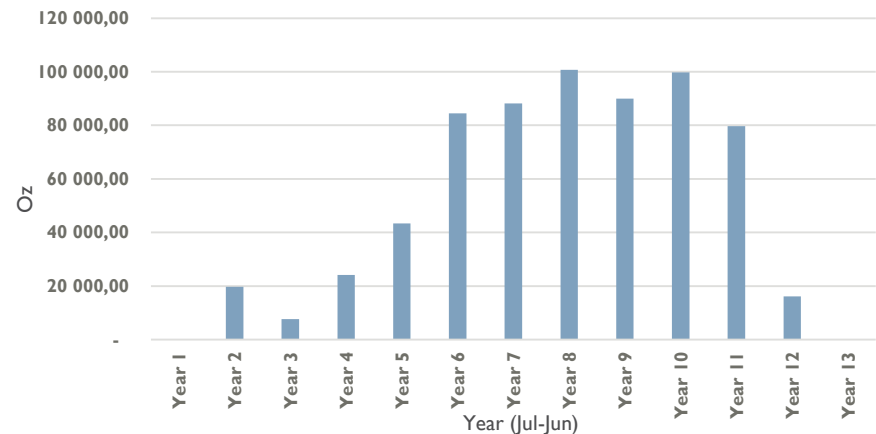
Key Metrics (@\$/R14.00)

CAPEX Peak funding (USD-million)	62.1
IRR (Real, pre-taxation)	34%
NPV (USD-million) (Real, pre-taxation)@ 10%	96.7

Annual and cumulative free cash



LOM Production Profile (Gold ounces)



SUMMARY OF INVESTMENT CASE



- Stable, established, diversified operations
- Safe, long-life, low cost producer
- Proven track record of wealth creation – dividends and ROE
- Attractive internal project pipeline
- Clear value proposition as balance sheet de-gears



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