

PAN AFRICAN
RESOURCES
PLC

PAN AFRICAN RESOURCES ROADSHOW

MIAMI / LONDON - FEBRUARY / MARCH 2016



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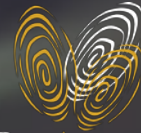
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CONTENT OF PRESENTATION

- Company Overview
- 2016 Interim Key Features
- Barberton Mines
- Evander Mines
- Phoenix Platinum
- Why Pan African Resources?



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COMPANY OVERVIEW
THE AFRICAN FOCUSED
PRECIOUS METALS PRODUCER

COMPANY OVERVIEW

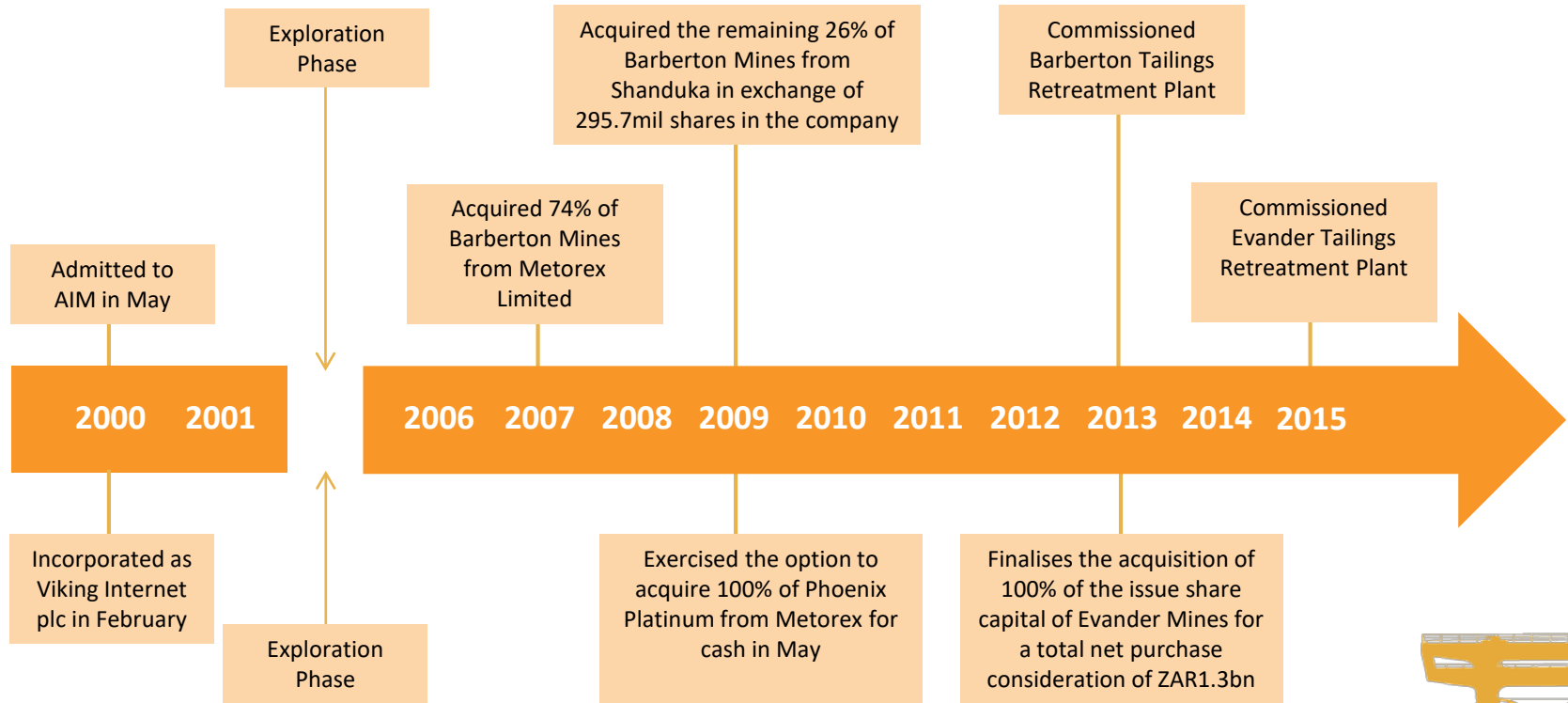
- South African mid-tier gold miner
 - › Gold assets producing approximately 200,000oz of Au per annum
 - › Focused on maintaining and increasing profitable production ounces
- Dual listed on London's AIM market at the JSE in Johannesburg
 - › Market capitalisation of ~US\$330m
 - › Diversified shareholder base, major South African and international institutions
- Cash flow generative and dividend paying
 - › Track record of sector leading dividend payouts
 - › Historic yield of 4.2% dividend of US\$13.5m paid in December 2015
 - › Low level of gearing with strong Statement of Financial Position
 - › Access to banking facilities of US\$58m
- Significant growth projects
 - › Resource base in excess of 31Moz



SUMMARY OF INVESTMENT CASE

- Long life quality gold mining operations
 - › Barberton Mines – 20 years life of mine
 - › Evander Mines – 16 years life of mine
- Significant production improvement in last 6 months
 - › Evander Mines gold sold increased by 34.4% to 45,350oz
 - › Barberton Mines gold sold increased by 6.6% to 56,447oz
- Attractive profitability and cash flow generation
 - › Net cash pre-dividend of USD20.9 million (ZAR284.5 million) generated in the last 6 months to December 2015
 - › All-in sustaining costs of ZAR396,819/kg or USD908/oz down 3.5% from ZAR411,384/kg or USD1,165/oz
- Sector leading dividend payout with track record of dividend growth
- Very limited gearing with strong Statement of Financial Position
- SA gold mining assets provide a currency hedge to South African investors, and leverage to other currency investors
- Track record of project delivery
 - › BTRP payback – 18 months
 - › ETRP forecasted payback – less than 4 years
 - › Uitkomst Colliery – forecasted payback of 4 years
- Attractive project pipeline – 31.9Moz resource base

RECENT COMPANY HISTORY



UNDERGROUND RESOURCES AND RESERVES

Resources and reserves⁽¹⁾

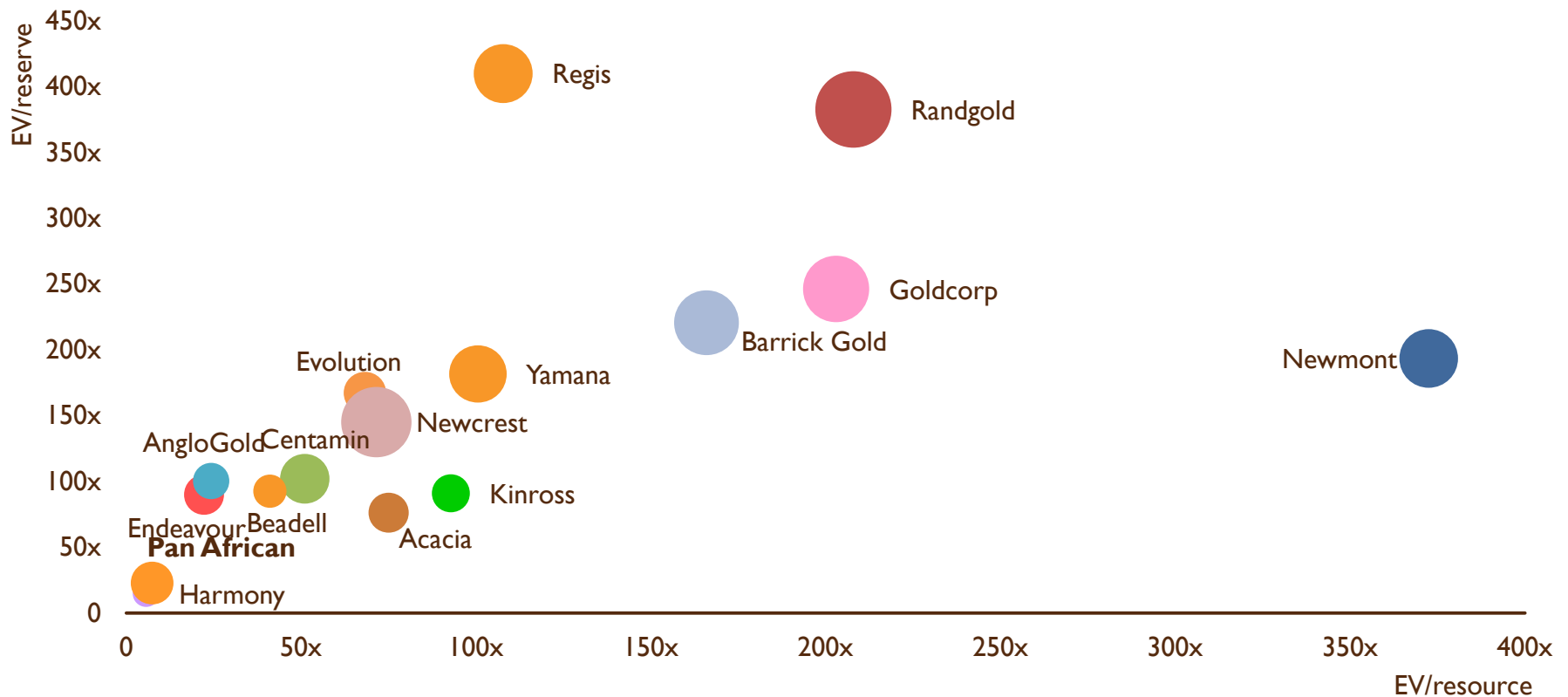
Moz

	Barberton Mines	Evander Mines	Phoenix Platinum	Total
Measured	0.9	1.2	0.1	2.2
Indicated	1.9	18.6	0.4	20.9
Inferred	1.3	8.0	0.1	9.4
Total Resources by mines	4.1	27.8	0.6	32.5
Proved	0.4	0.5	0.1	1.0
Probable	1.7	7.8	0.4	9.9
Total Reserves by mines	2.1	8.3	0.5	10.9

PAR's mineral reserves⁽¹⁾ amount to 10.4 Moz of gold and 0.5 Moz of PGM 4E and total mineral resources⁽¹⁾ amount to 31.9 Moz of gold and 0.6 Moz of PGM 4E (as of June 2015)

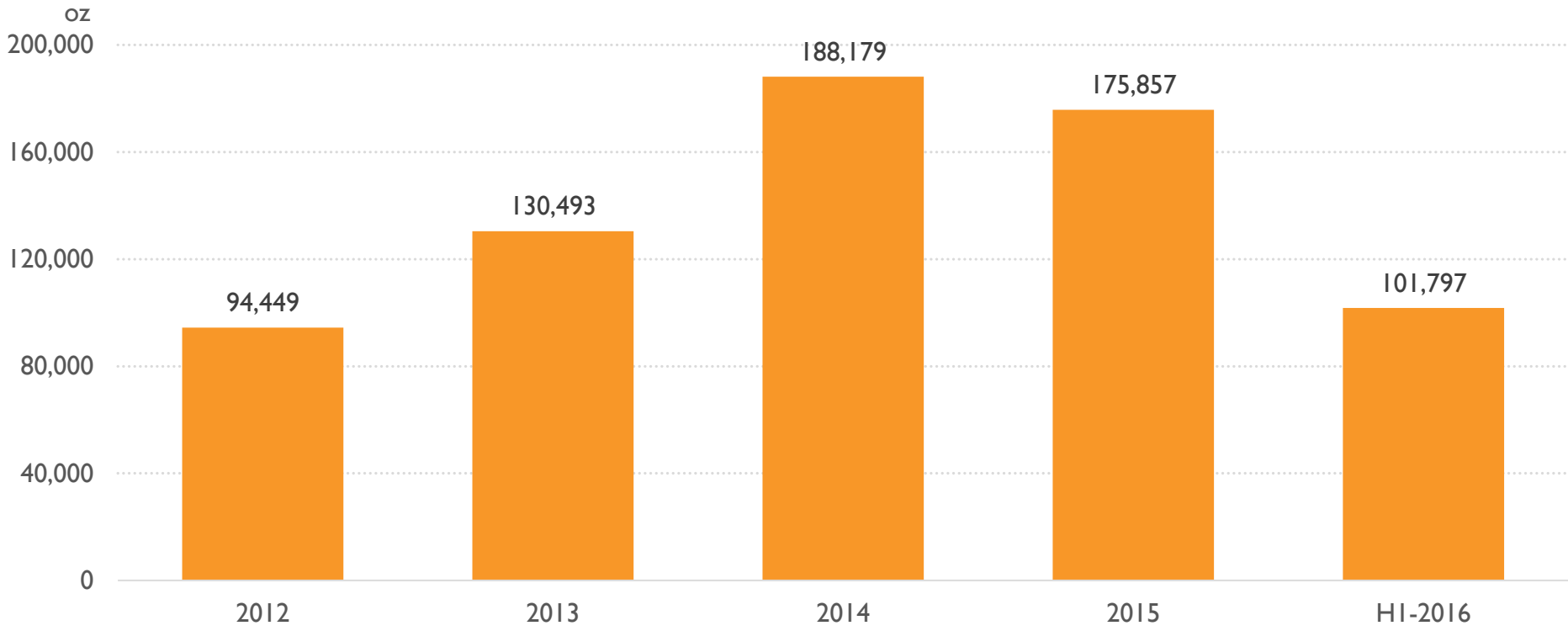
RESERVES AND RESOURCES

Bubble size represents enterprise value ('EV') in relation to reserves and resources



Note: Contained attributable gold production, proven and probable reserves and measured, indicated and inferred resources as publicly reported by each company
 Source: Company reports, FactSet

GOLD PRODUCTION GRAPH





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2016 INTERIM
KEY FEATURES

2016 INTERIM KEY FEATURES

- **Financial highlights:**

- › Profit increased by 129.4% to ZAR227.6 million (USD16.7 million)
- › EBITDA increased by 81.6% to ZAR418.7 million (USD30.8 million)
- › Dividend paid – ZAR210 million (USD13.5 million), historical dividend yield of 4.2%



- **Operational highlights:**

- › Group gold sold increased by 17.4% to 101,797oz
- › Group gold cash cost decreased by 7.9% to ZAR323,730/kg (USD740/oz)
- › All-in sustaining cost decreased by 3.5% to ZAR396,819/kg (USD908/oz)
- › ETRP commissioned and produced 3,708oz of gold at 0.3g/t from tailings sources



- **Other highlights:**

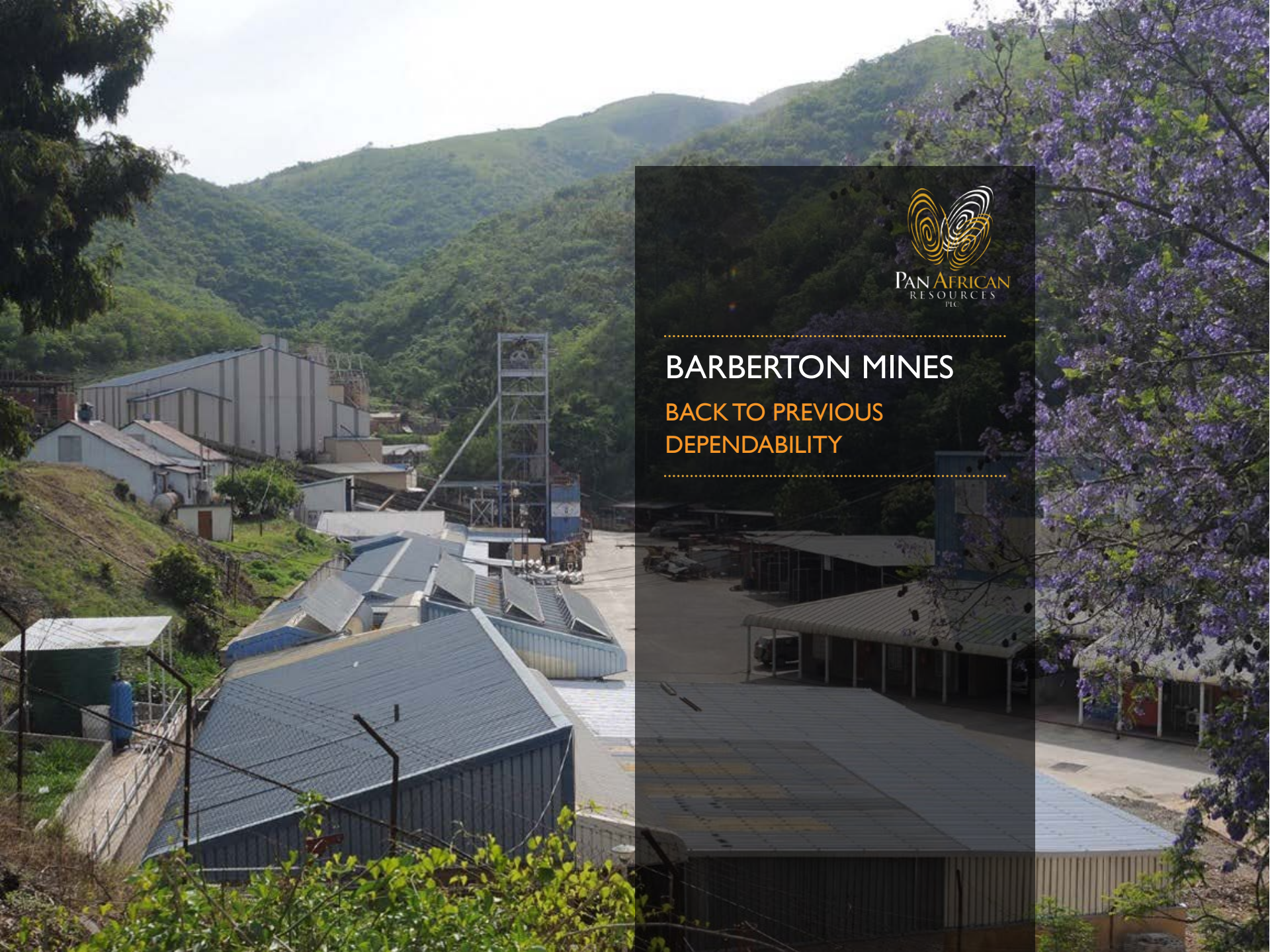
- › BIOX[®] recoveries restored to previous recovery levels
- › Acquisition of Uitkomst Colliery – subject to SI I. Immediately cash flow generative



- **Safety – regression in accident rates (LTIFR, RIFR)**

- › Measures put in place to address and improve





BARBERTON MINES
BACK TO PREVIOUS
DEPENDABILITY



OVERVIEW OF BARBERTON MINES

- Barberton Mines is located c.370km east of Johannesburg and 47km south-east of Nelspruit, South Africa
- Barberton Mines comprises of the following assets:
 - › Fairview Mine: Total mining area of 3,034Ha
 - › New Consort Mine: Total mining area of 2,521Ha
 - › Sheba Mine: Total mining area of 1,705 Ha
- Operations include the Barberton Tailings Retreatment Plant ('BTRP') which was completed during 2013
- Total production capacity of 115koz per annum
- Barberton Mines and BTRP have LOM of over 20 years and 15 years respectively
- The MRC is one of the richest orebodies in the world
- Potential for MRC to continue at depth



BARBERTON MINES

BARBERTON MINES

- Gold sold increased to 56,447oz (2014: 52,942oz)
- Underground and surface tonnage increased to 139,430t (2014: 126,713t)
- Barberton remains a low cash cost producer at ZAR297,877/kg (2014: ZAR312,502/kg)
- USD cash cost at USD681/oz (2014: USD885/oz)

BARBERTON TAILINGS RETREATMENT PLANT

- Gold production at BTRP increased by 9.6% to 12,830oz (2014: 11,710oz)
- BTRP achieved plant recoveries of 64% (2014: 51%)
- BTRP cash cost very competitive at ZAR160,665/kg (2014: ZAR162,203/kg)
- USD cash cost at USD367/oz (2014: USD459/oz)

BARBERTON MINES INTERIM HIGHLIGHTS

FAIRVIEW MINE – 10 HIGHEST GRADE UNDERGROUND GOLD OPERATIONS

Mine	Country	Major owner	Au grade g/t	Ore Reserves, 000' tonnes*	Contained Au, 000' ozt
Fire Creek	United States	Klondex Mines	44.1	170	172
MRC	South Africa	Pan African Resources	32.0	848	871
Macassa (South mine)	Canada	Kirkland Lake Gold	22.2	1,330	950
Kedrovka	Russia	Zapadnaya God	22	380	269
Turquoise Ridge	United States	Barrick Gold	16.9	10,932	5,943
Toguraci	Indonesia	Newcrest Mining	16	1,000	514
Orcopampa	Peru	Buenaventura	15.8	630	321
Dvolnoye	Russia	Kinross Gold	15	2,137	1,028
Pinson	United States	Atna Resources	13.8	353	157
Midas	United States	Klondex Mines	12.9	220	92
Pimenton	Chile	Cerro Grande	11.1	138	49

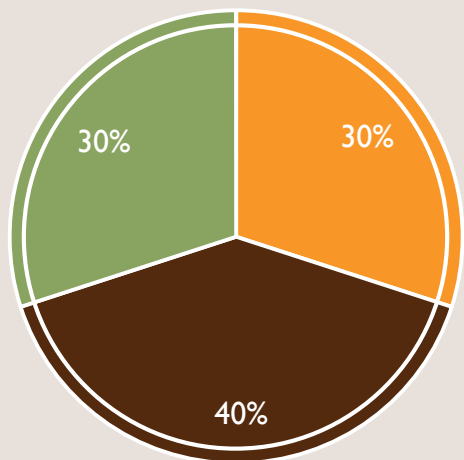
* Ore reserves are Proven + Probable, except Kedrovka, where A + B categories calculated
 Source: Mining.com - <http://www.mining.com/the-worlds-highest-grade-gold-mines/>



BARBERTON MINES UNDERGROUND RESOURCE UPDATE

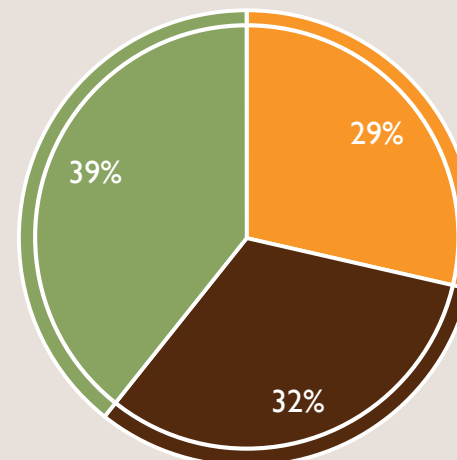
2015

3.10Moz (9.0Mt @ 10.71g/t)



2014

2.9Moz (8.9Mt @ 10.00g/t)



■ Measured

■ Indicated

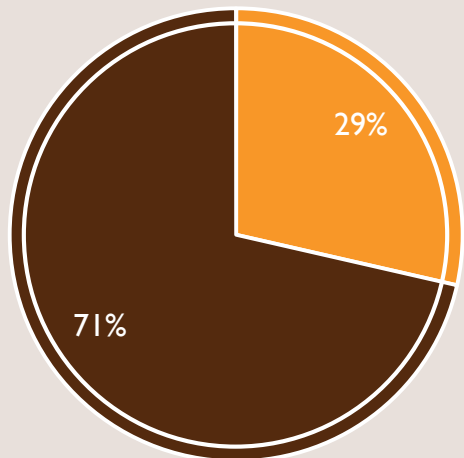
■ Inferred



BARBERTON MINES UNDERGROUND RESERVE UPDATE

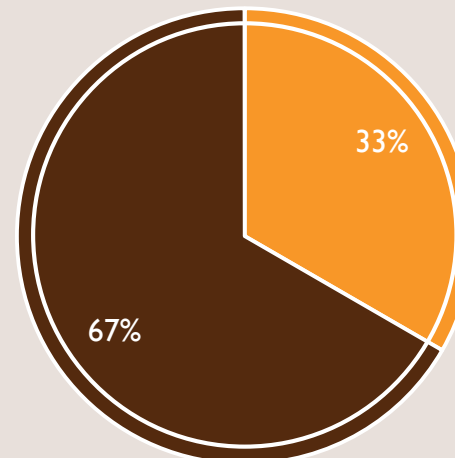
2015

1.4Moz (4.3Mt @ 10.11g/t)



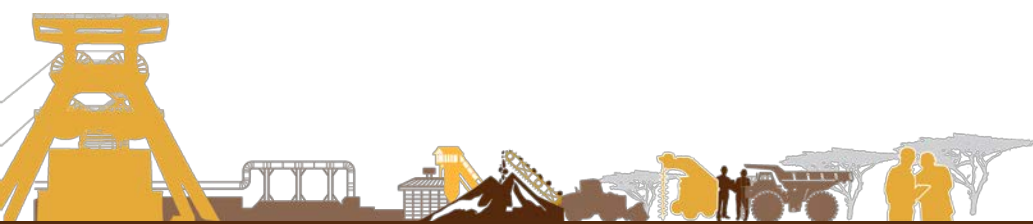
2014

1.2Moz (3.9Mt @ 9.31g/t)



■ Proved

■ Probable

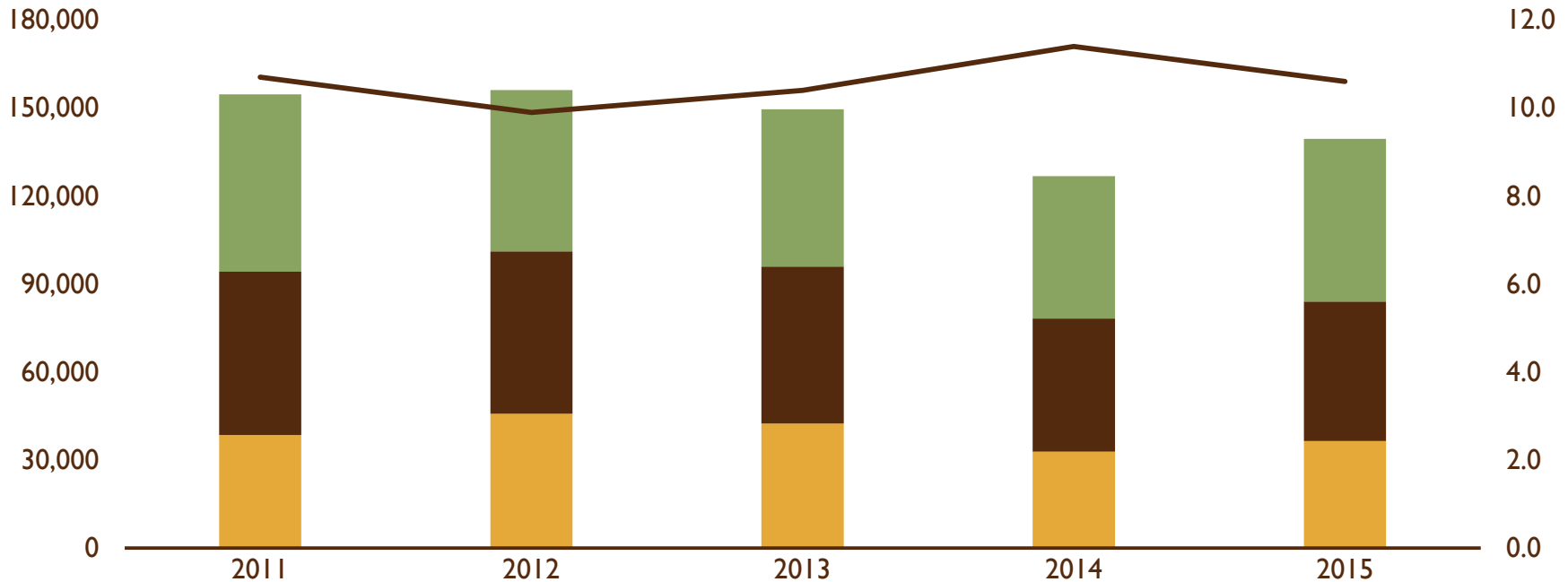


BARBERTON MINES PRODUCTION

PRODUCTION STATISTICS

UNDERGROUND AND SURFACE HEAD GRADE
(EXCLUDING BTRP) g/t

Tonnes

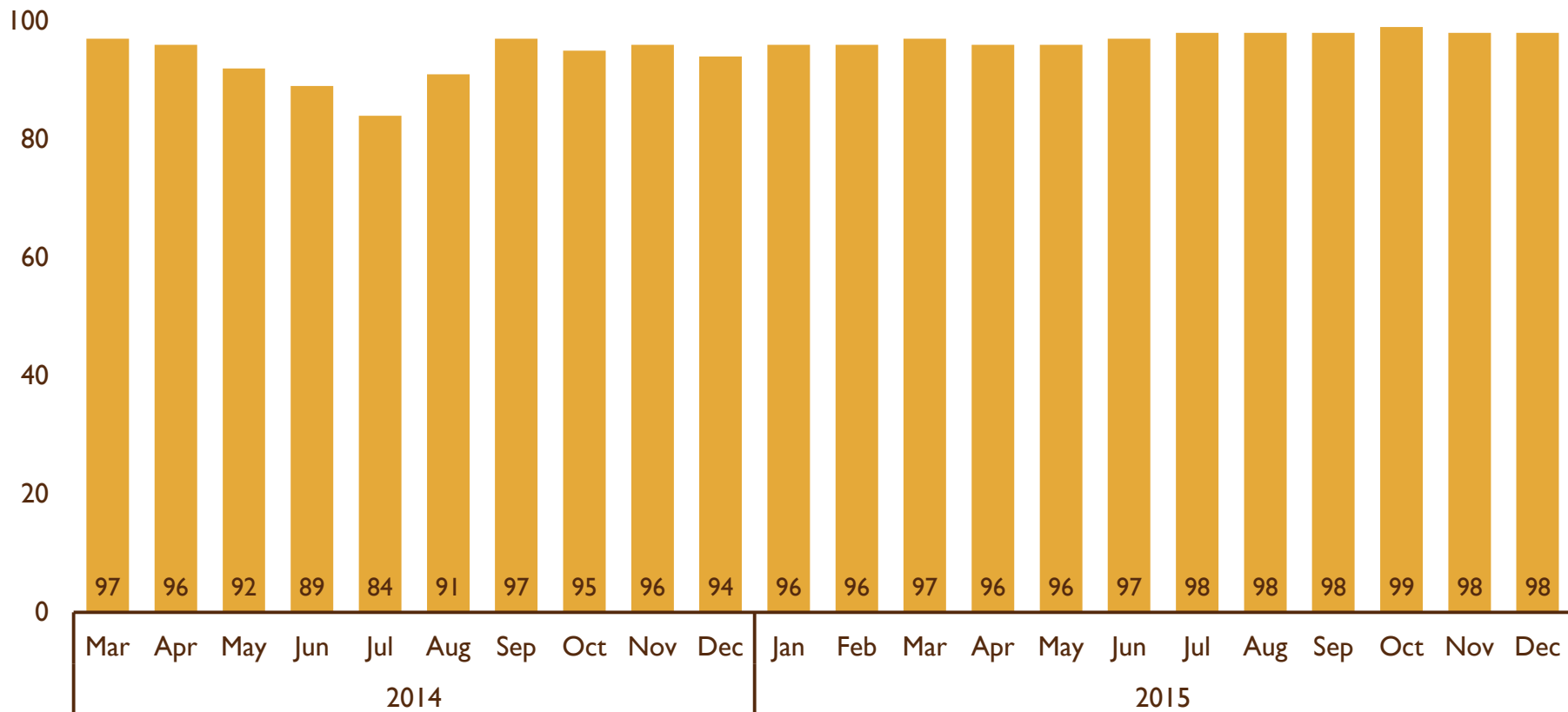


Fairview	60,405	54,986	53,623	48,488	55,421
Sheba	55,650	55,340	53,559	45,386	47,549
Consort	38,559	45,780	42,407	32,839	36,460
Head grade	10.7	9.9	10.4	11.4	10.6

BIOX[®] RECOVERIES

BIOX[®] RECOVERIES

%





EVANDER MINES
MUCH IMPROVED
PERFORMANCE



OVERVIEW OF EVANDER MINES

- Evander was first developed in 1955 by The Union Corporation and consisted of 8 independent shafts
- Currently only No. 7 Shaft and No. 8 Shaft are operational, with the rest on care and maintenance
- Located approximately 120km south-east of Johannesburg in Mpumalanga
- Evander's mineral assets comprise a set of mineral resources that range from prefeasibility studies to a producing mine
- Evander No. 8 Shaft and surface operations are currently generating strong cash flows
- The principal economical horizon mined at Evander Mines is the Kimberley Reef, an offshoot of the Witwatersrand basin
- Total production capacity of 95koz (105koz incl ETRP)
- Evander Mines has a LOM of 17 years



EVANDER MINES INTERIM HIGHLIGHTS

EVANDER MINES

- Increase in gold sold to 45,350oz (2013: 33,733oz)
- 8 Shaft mining cycle now in higher grade areas
- Head grade improved to 5.8g/t (2014: 2.9g/t)
- Cash cost improved by 15.1% to ZAR394,730/kg (2014: ZAR464,955/kg)
- USD cash cost improved by 24.5% to USD995/oz (2014: USD1,317/oz)

EVANDER TAILINGS RETREATMENT PLANT (ETRP)

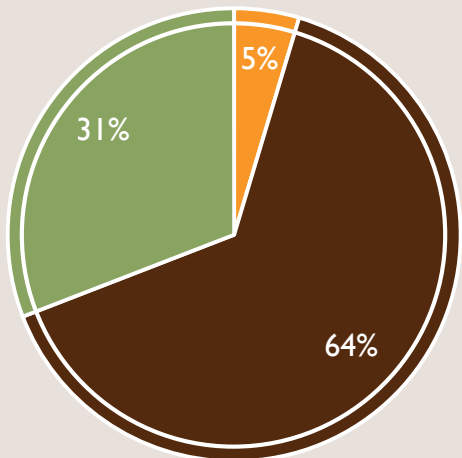
- ETRP contributed 8,980oz of gold during H1 of FY2016
(3,708oz from tailings feedstock and 5,272oz from surface source feedstock)
- ETRP processed 890,175t during H1 of FY2016
- ETRP cash cost very competitive at ZAR230,857/kg
- USD cash cost at USD528/oz



EVANDER MINES UNDERGROUND RESOURCE UPDATE

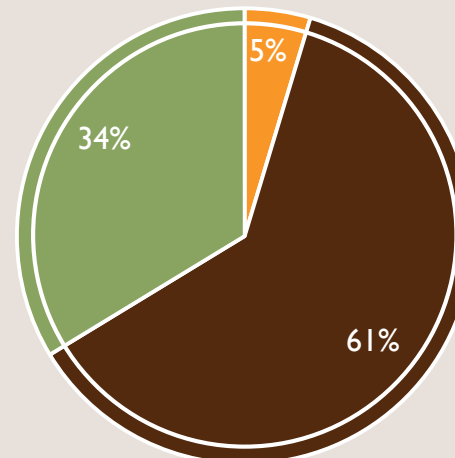
2015

25.9Moz (83.5Mt @ 9.66g/t)



2014

27.9Moz (91.3Mt @ 10.00g/t)



■ Measured

■ Indicated

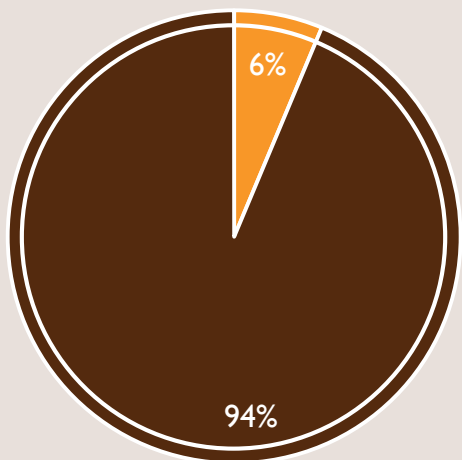
■ Inferred



EVANDER MINES UNDERGROUND RESERVE UPDATE

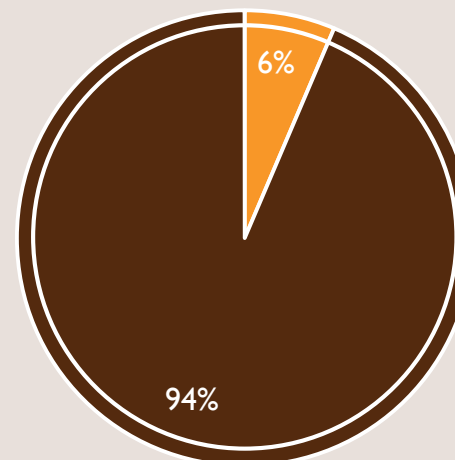
2015

7.9Moz (28.8Mt @ 8.52g/t)



2014

7.8Moz (29.0Mt @ 8.41g/t)

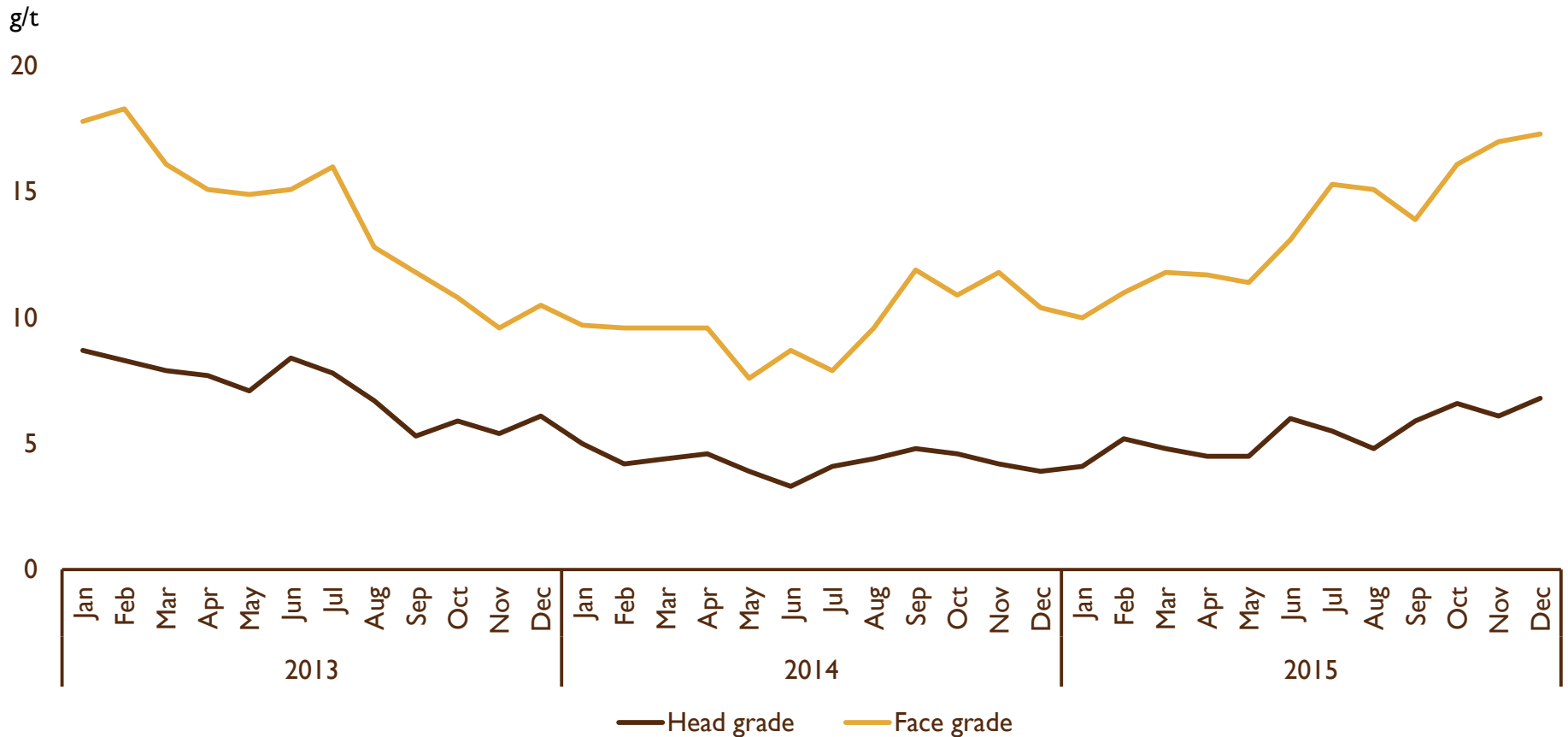


■ Proved

■ Probable

EVANDER UNDERGROUND GRADE PROFILE

EVANDER 8 SHAFT PRODUCTION - GRADE



1. Face grade - the mineralised rock in g/t graded over the face width
2. Head grade - the tonnes delivered to the plant in g/t graded over all the tonnage sources delivered, namely mineralised rock from stopes, waste from stopes (gully tonnes), waste from development ends, and tonnes from on reef development ends



EVANDER UNDERGROUND TONNAGE PROFILE

EVANDER 8 SHAFT PRODUCTION

Tonnes

50,000

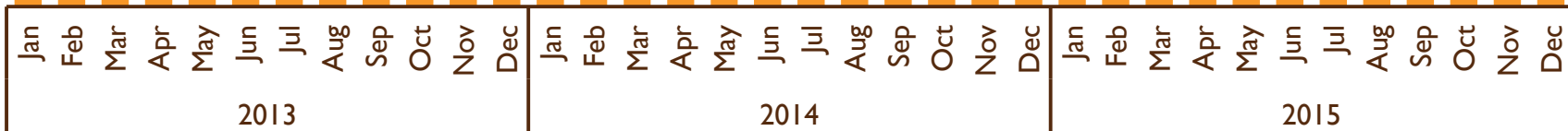
40,000

30,000

20,000

10,000

0



EVANDER MINES PRODUCTION IMPROVEMENTS & TARGETS

		HI 2015	HI 2016	Target
MCF *	(%)	59	65	73
Accumulations	(t)	5,858	3,523	4,000
Sweepings	(%)	94	98	100
Face advance	(m)	7.9	8.4	12
Stoping width	(cm)	131	127	125
Waste – development ratio	(%)	24	28	23
Surface sources	(t)	24,196	16,605	15,000
Toll treatment	(t)	8,877	8,470	15,000



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PHOENIX PLATINUM
REMAINS STRATEGIC ENTRY
POINT INTO PLATINUM



OVERVIEW OF PHOENIX PLATINUM

- Located in the North West province of South Africa
- Commodities being mined: Platinum (61.14%), palladium (18.74%), rhodium (7.34%) and gold (0.28%), ruthenium (8.59%), iridium (3.91%) (PGE)
- Sustainable capital per annum is ZAR1 million (USD0.07 million)
- LOM is 28 years



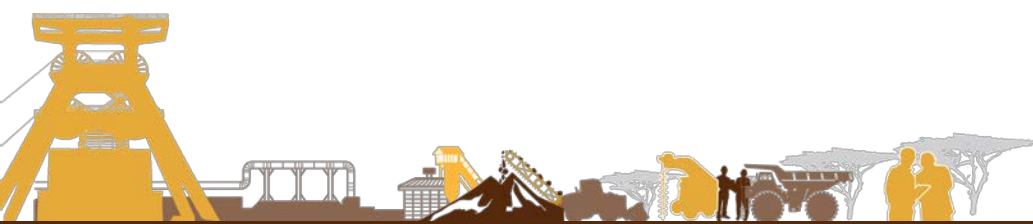
PHOENIX PLATINUM INTERIM HIGHLIGHTS

- Adversely impacted by IFM Business Rescue proceedings
- PGE production decreased by 4.6% to 4,493oz (2014: 4,711oz)
- Revenue decreased by 15.2% to ZAR39.2 million (2014: ZAR46.2 million) [USD2.9 million vs. USD4.2 million]
- Cash cost per ounce increased by 12.3% to ZAR7,653/oz (2014: ZAR6,817/oz)
- Cash cost per ounce in USD decreased by 9.3% to USD563/oz (2014: USD621/oz)
- Zero accidents since turning first sod
- Remains as a strategic entry into the PGE industry



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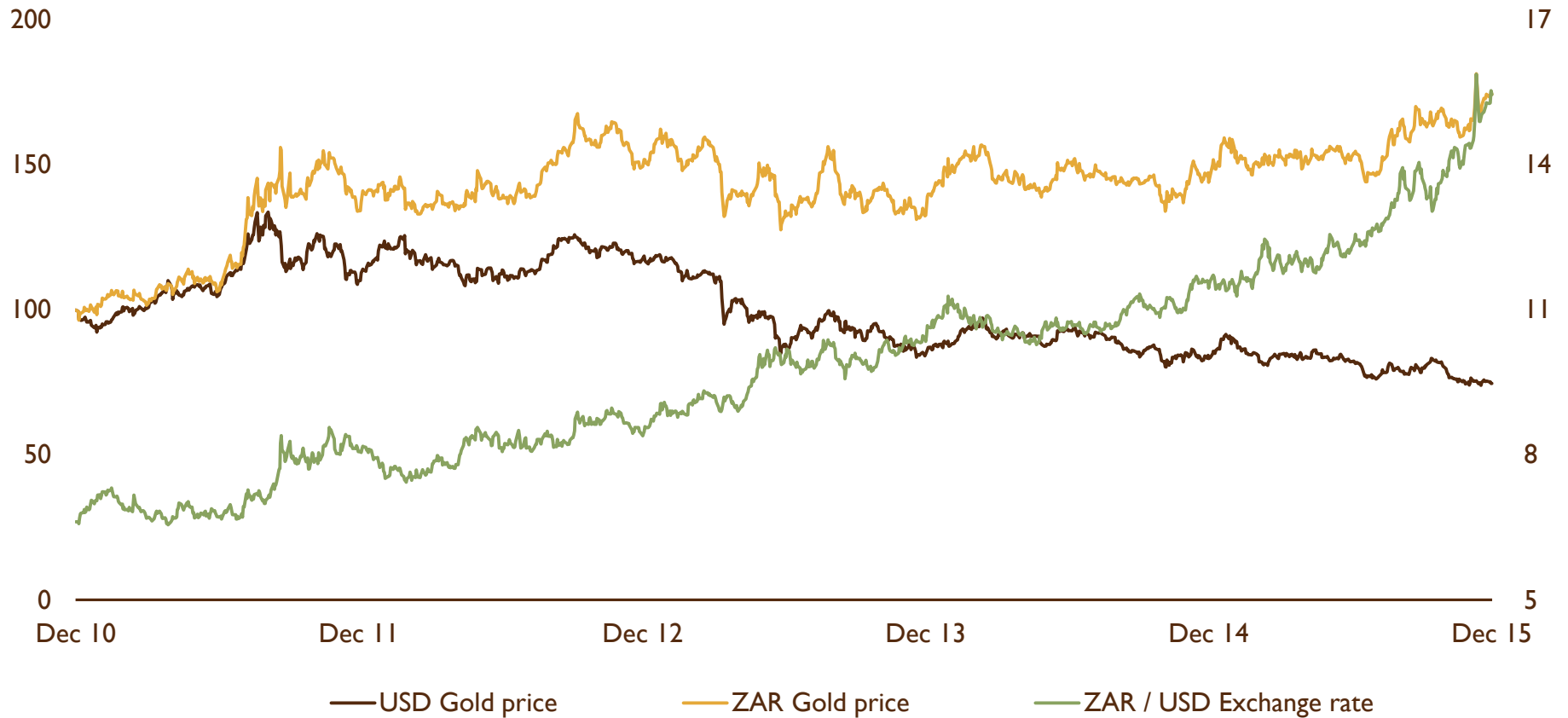
WHY PAN AFRICAN
RESOURCES?



GOLD PRICE

USD vs ZAR GOLD PRICE vs ZAR/USD EXCHANGE RATE: 5 YEARS ENDED 31 DECEMBER 2015

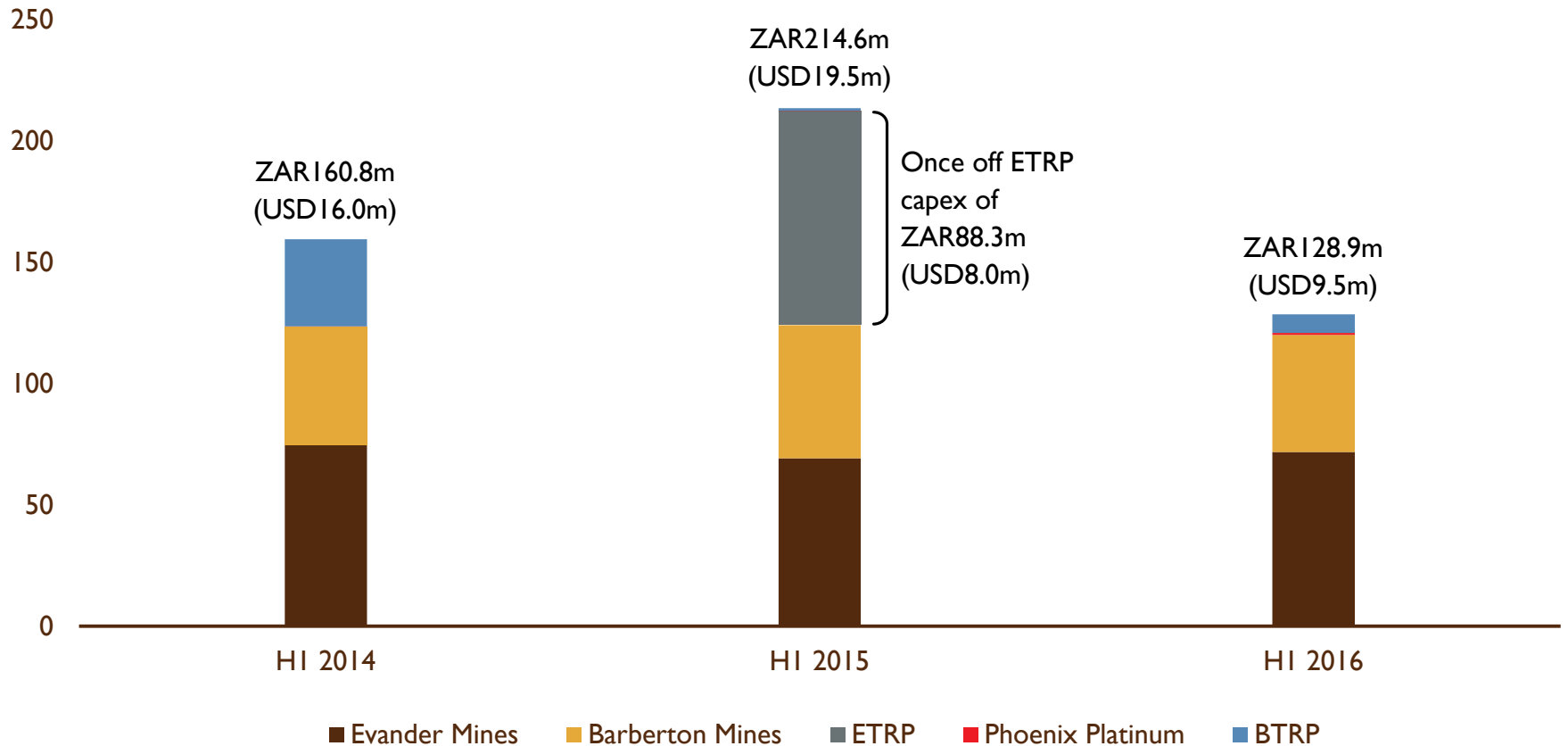
Relative performance rebased to 100



GROUP COSTS

GROUP CAPITAL SPENDING ON MAINTAINING PRODUCTION AND GROWTH THROUGH THE CYCLE

ZAR millions



ZAR DEPRECIATION

ILLUSTRATIVE EFFECTS OF ZAR DEPRECIATION ON INTERIM EARNINGS

EARNINGS

ZAR millions

600

400

200

0

EARNINGS

USD millions

50

40

30

20

10

Current results @ ZAR485,215/kg

Relative earnings @ ZAR550,000/kg

Relative earnings @ ZAR600,000/kg

ZAR227.6m

USD16.7m

~ZAR379.8m

66.9%

~USD24.6m

47.3%

~ZAR486.5m

113.8%

~USD28.9m

73.1%

ZAR Earnings

USD Earnings



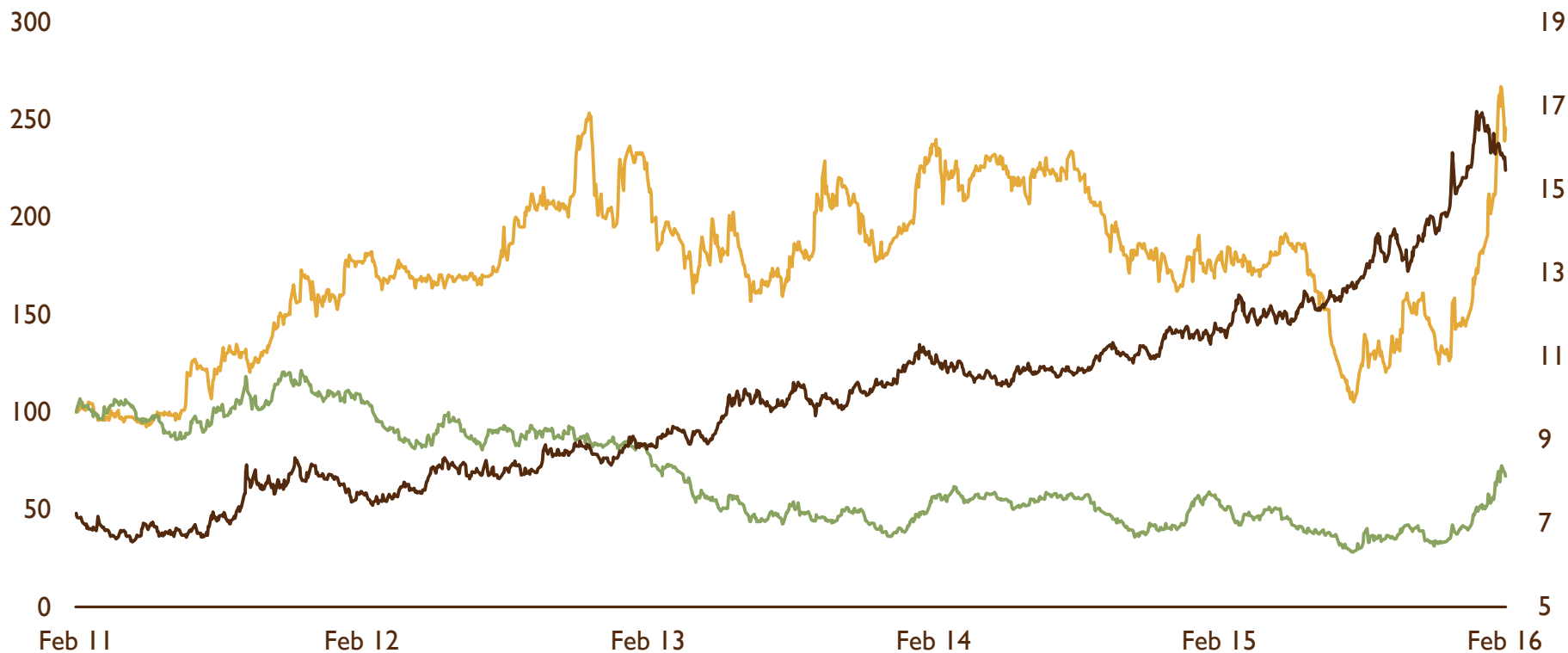
SHARE PRICE PERFORMANCE - GOLD

PAN SHARE PRICE RELATIVE TO MARKET: 5 YEARS ENDED 17 FEBRUARY 2016

Relative performance rebased to 100

EXCHANGE RATE

ZAR/USD



— Pan African Resources

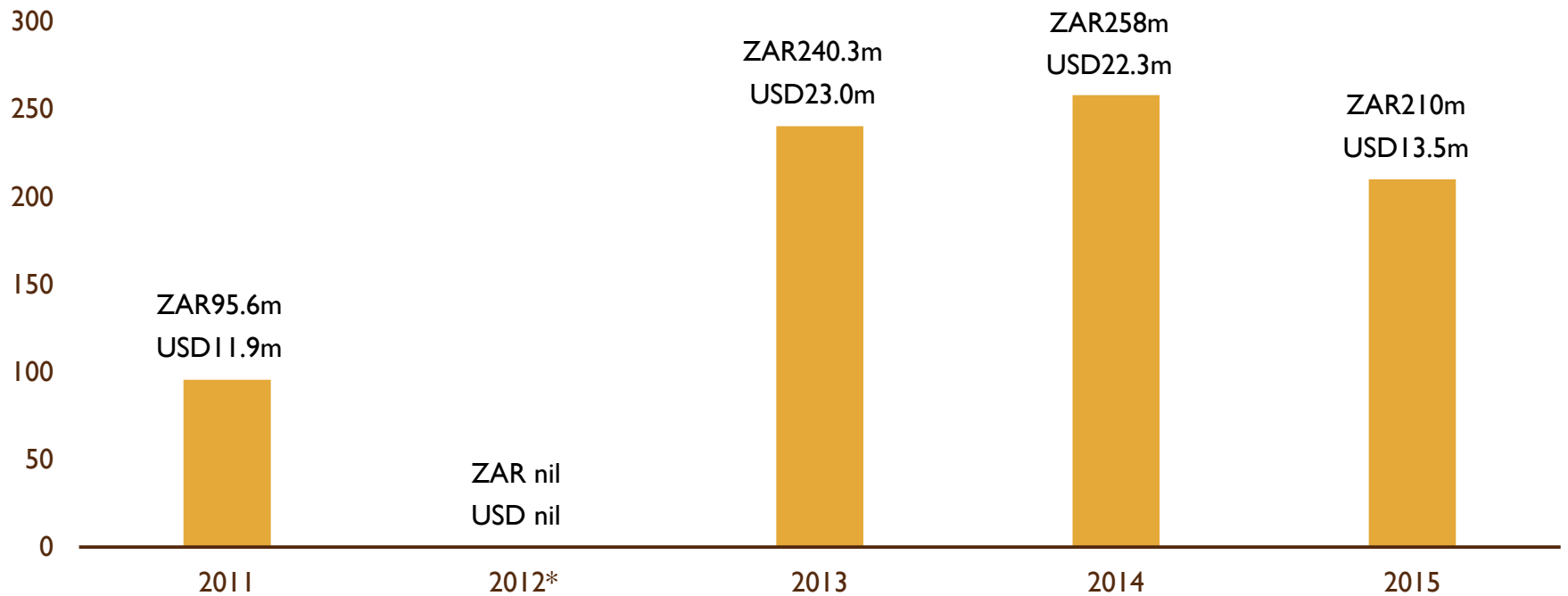
— FTSE / JSE Gold price index

— ZAR/USD Exchange rate

DIVIDENDS

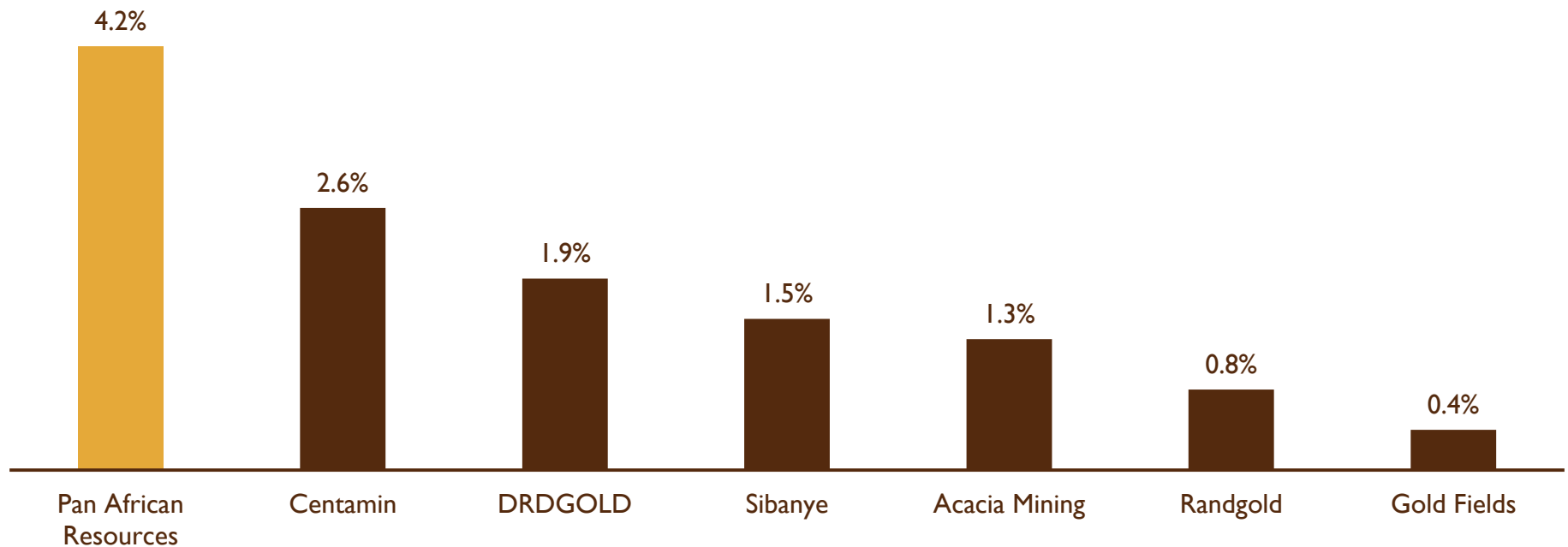
DIVIDEND PAID

ZAR/USD millions



* Foregone dividend to fund the acquisition of Evander Gold Mines

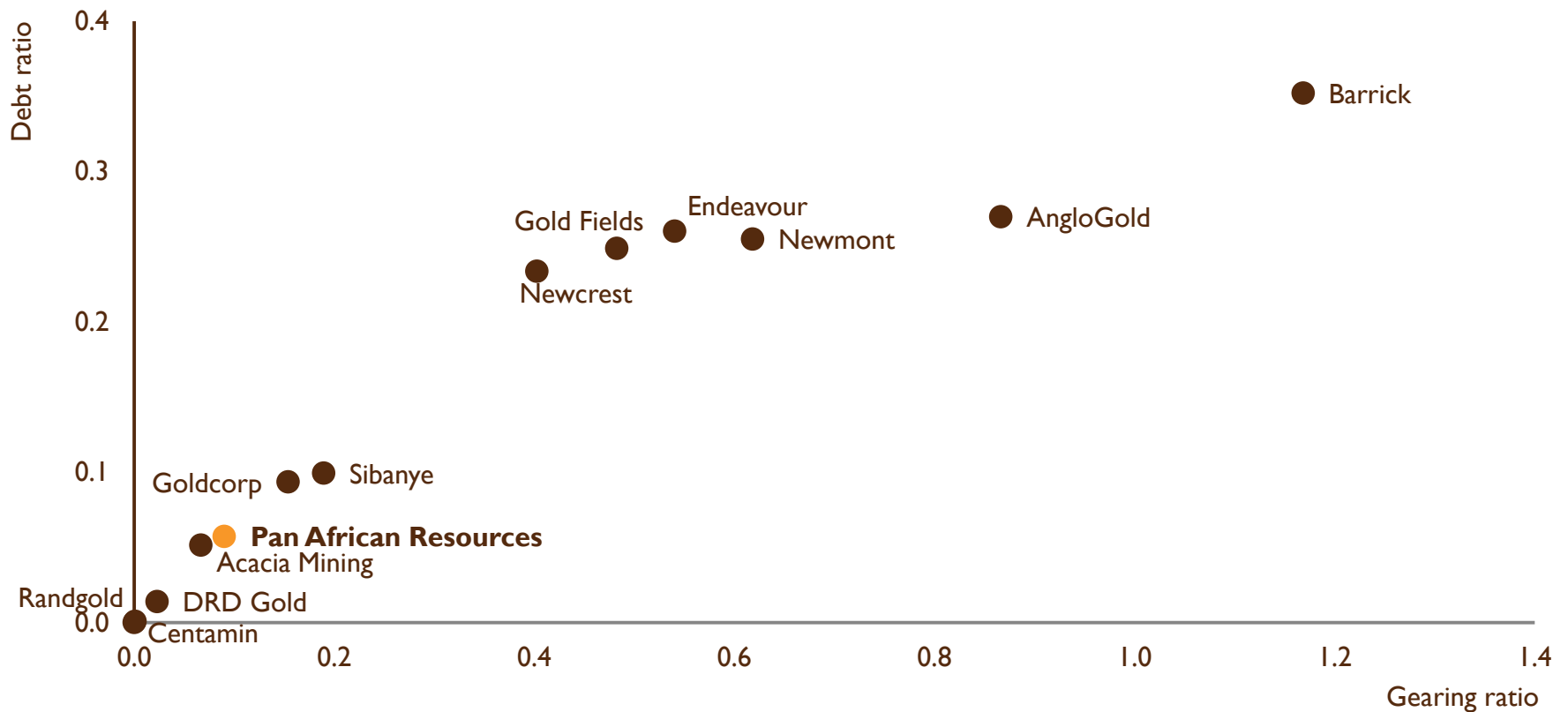
MARKET LEADING DIVIDEND YIELD



Note: Dividend yield calculated as last annual dividend per share announced by Company and share price as at 16 February 2016
Source: Bloomberg

CONSERVATIVE GEARING / DEBT RATIO

CONSERVATIVE GEARING / DEBT RATIO^{1,2,3}



Note (1): Gearing is total debt / shareholder equity as per latest company disclosure

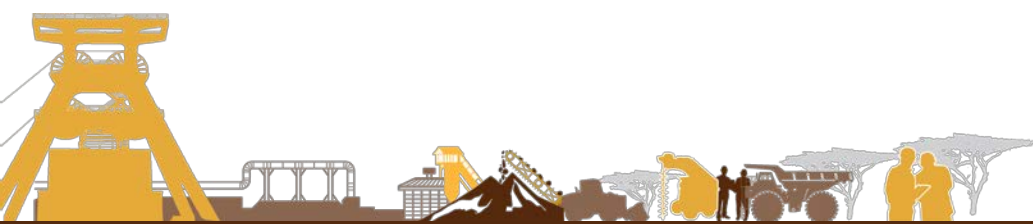
Note (2): Debt ratio is total debt / total assets as per latest company disclosure

Note (3): As publicly reported by each company

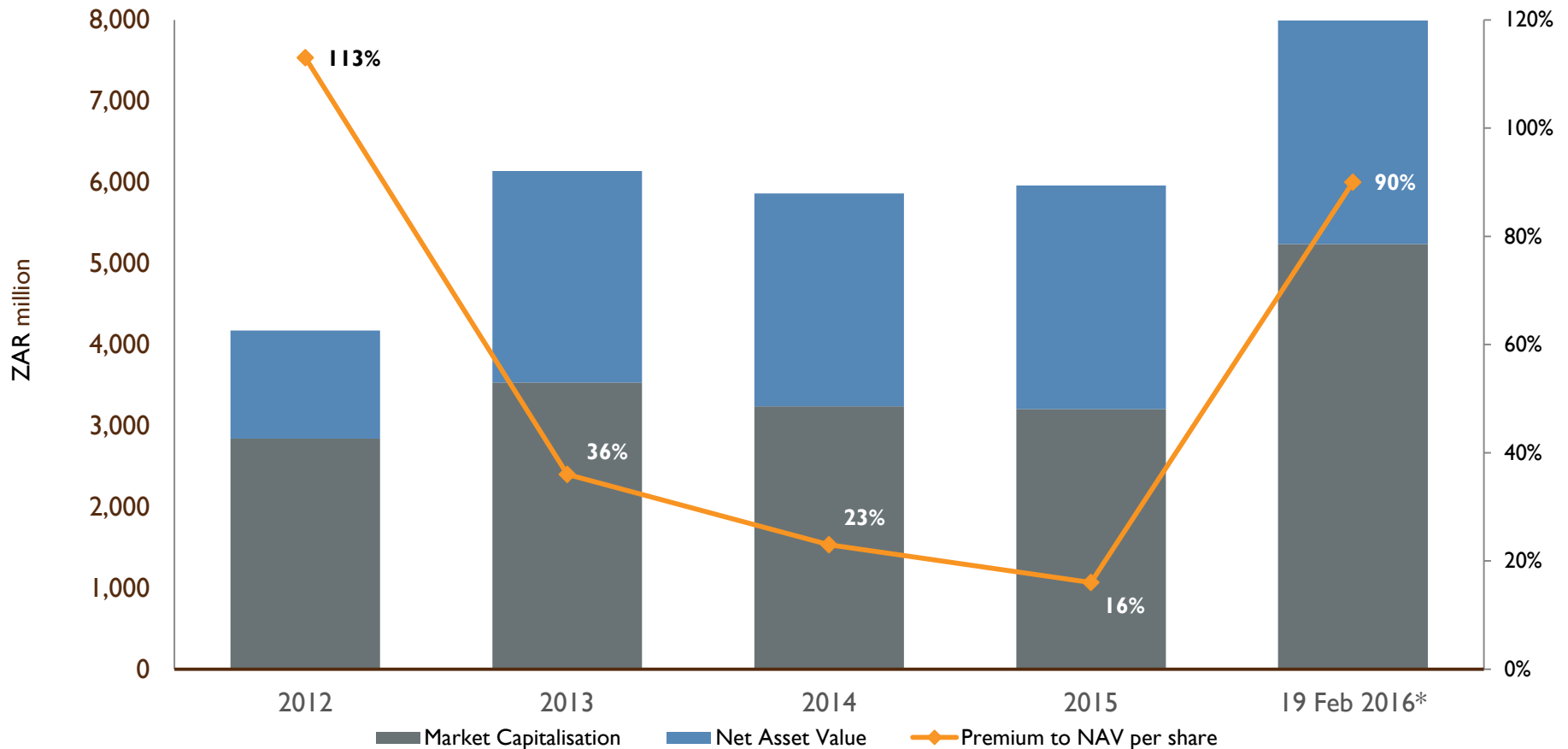
DISCIPLINED CAPITAL ALLOCATION DECISIONS

Project	Investment capital/ purchase price (ZARm)	Forecasted payback period
Phoenix CTRP	308.9*	Forecasting 10 years payback on current PGM basket prices
BTRP	325.7	Paid back in 18 months
ETRP	174.3	Forecasting less than 4 years payback
Uitkomst Colliery	200.0	Forecasting 4 years payback

* Recorded ZAR125 million impairment for Phoenix during FY2013



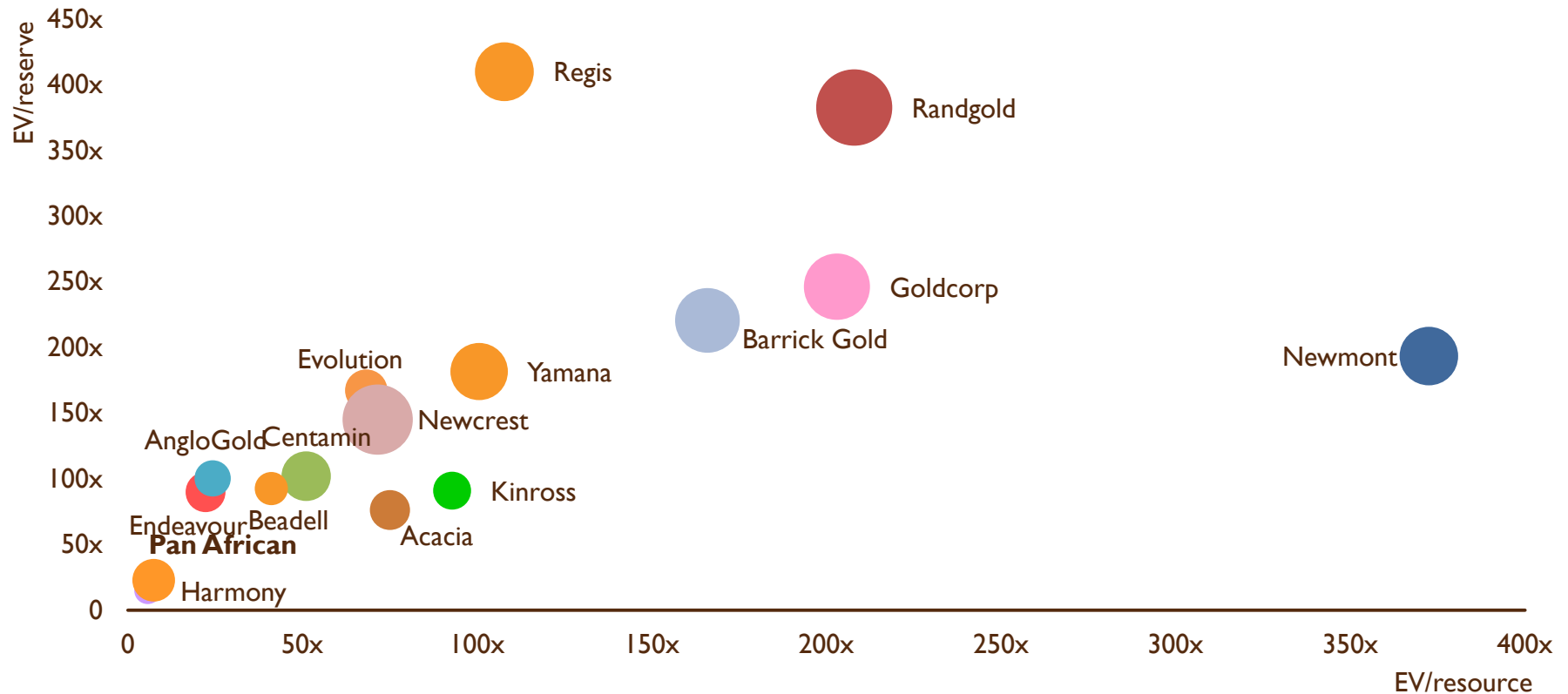
PREMIUM TO NET ASSET VALUE PER SHARE



* For Illustrative purposes we kept the Net Asset Value at 19 February 2016 the same as at 31 December 2015.

RESOURCE AND RESERVE VALUATION COMPARABLES

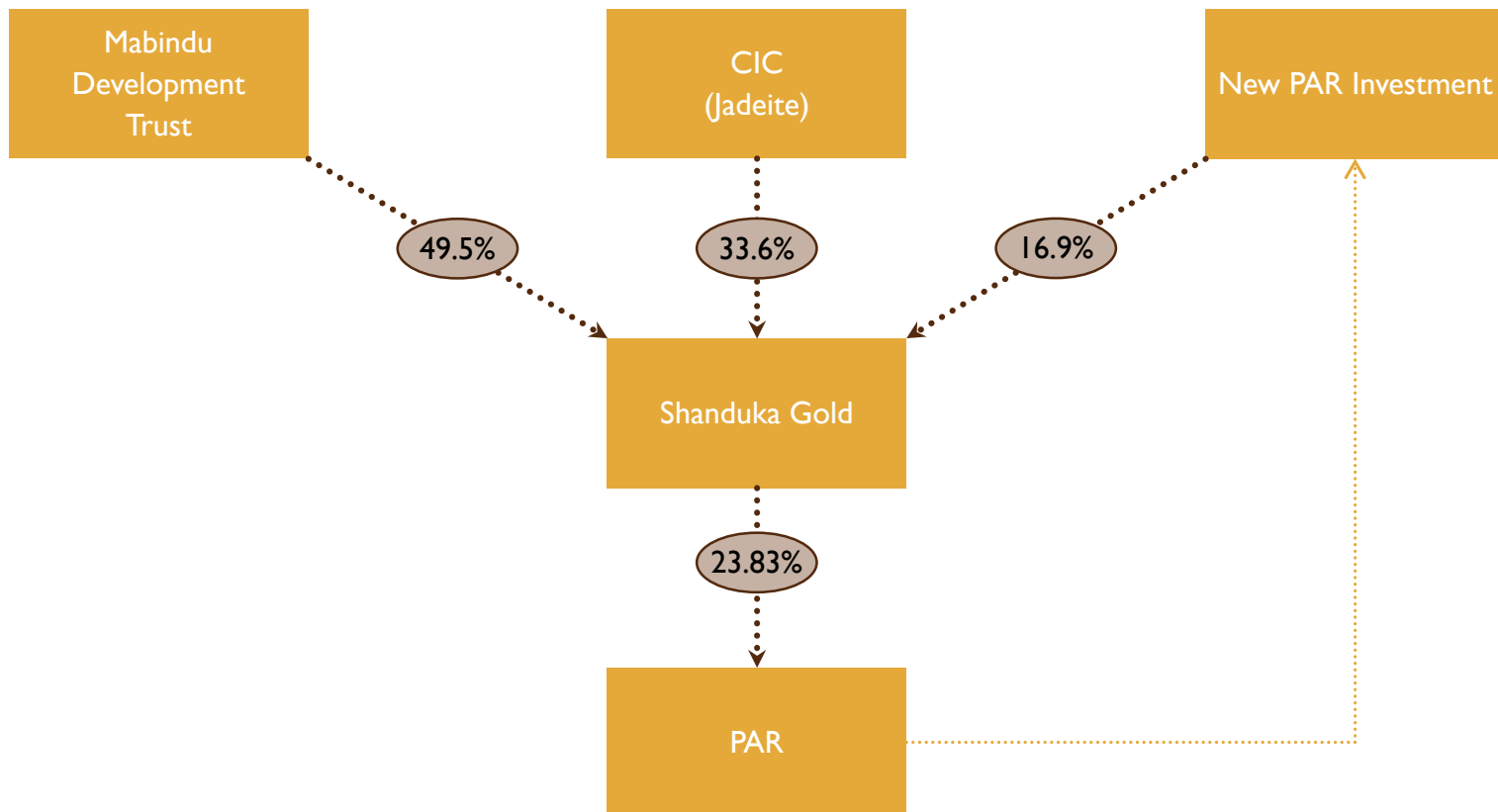
Bubble size represents enterprise value ('EV') in relation to reserves and resources

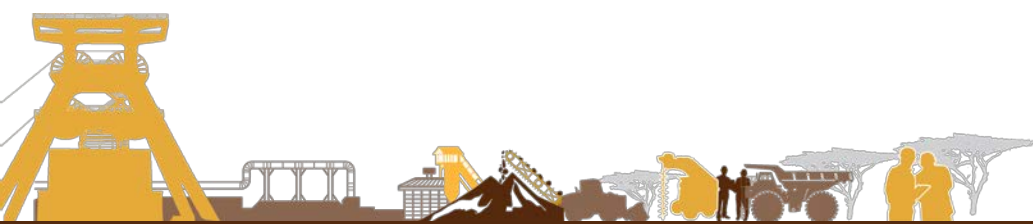


Note: Contained attributable gold production, proven and probable reserves and measured, indicated and inferred resources as publicly reported by each company
 Source: Company reports, FactSet

STANDARD BANK TRANSACTION

STANDARD BANK TRANSACTION – STRUCTURE AFTER DEAL





OTHER ASSETS

COAL ASSET – UITKOMST COLLIERY LOCATED CLOSE TO NEWCASTLE



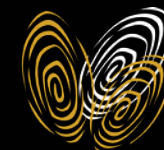
OTHER ASSETS

COAL ASSET – UITKOMST COLLIERY

- Average run-of-mine coal mined per month : 50,000 tonnes
- Average saleable coal produced per month : 34,000 tonnes
- Number of plant employees : 110
- Number of contractors : 300
- Approximate sustaining capital per year : ZAR10m (USD0.6m)
- Approximate profit and cash flow after tax per year : ZAR30-35m (USD1.9m-USD2.3m)
- Current cash available : ZAR25 million (USD1.6m)
- Coal price API4 per tonne: : USD52
- Exchange rate ZAR/USD : ZAR15.50
- Coal API4 ZAR price per tonne : ZAR806
- Life of mine : 28 years

PERFORMANCE VS 2016 TARGETS

- Continue all efforts to reducing the severity of accidents at all operations ✘ ✓
- Focus delivery on:
 - › Volumes and grades at operations ✓
 - › Improve cash cost profiles ✓
- Ameliorate the effects of a lower grade mining cycle at Evander:
 - › Establish mining areas on 25 level and move stoping crews as availability arises ✓
 - › Manage risks associated with infrastructure ✓
 - › Target incremental ounces at Evander ✓
- Identify additional tonnages to extend LOM of surface sources ✓
- Ramp up production from ETRP at Evander ✓
- Maintain dividends to our shareholders ✓



PANAFRICAN
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THANK YOU

