

Pan African Resources PLC
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("Pan African" or "the Company" or "the Group")

Pan African Resources Funding Company Limited
Incorporated in the Republic of South Africa with limited liability
Registration number: 2012/021237/06
Alpha code: PARI

OPERATIONAL UPDATE, RECORD HALF-YEAR GOLD PRODUCTION, SUBSTANTIAL DECREASE IN GROUP GEARING AND SHARE BUYBACK PROGRAMME

Pan African is pleased to provide its shareholders and noteholders with an operational update for the financial year ending 30 June 2025 (FY25).

KEY FEATURES

- Regrettably, the Group suffered a fatal accident on 6 June 2025 at Barberton's Sheba Mine. The Group will continue its focus on various safety performance initiatives in order to improve safety statistics and strive for zero harm
- Record half year gold production in FY25H2 and a substantial increase when compared to FY25H1. Production for FY25H2 estimated at approximately 112,000oz, representing an increase of approximately 32% when compared to FY25H1 (84,705oz).
- Substantial reduction in Group gearing with net debt of approximately US\$155 million expected as at 30 June 2025, a decrease of US\$72 million or 32% compared to 31 December 2024 (net debt of US\$228.5 million) – the Group is expected to be fully degeared during FY26 at prevailing gold prices
- Board approved share buyback programme to purchase up to ZAR200 million (approximately US\$11.1 million) of ordinary shares in the market
- Total full year production for FY25 expected to be approximately 197,000oz (FY24: 186,039oz), an increase in production of approximately 6% compared to the prior financial year. Despite a significant increase in production in H2, full year production will therefore fall marginally below FY25 production guidance range of 205,000oz to 215,000oz as a result of:
 - Slower than expected ramp up of the Evander underground subvertical shaft project, which is now fully commissioned and operational
 - Delays encountered with the commissioning of the filter presses associated with the dry stack landforms (tailings section) of the Tennant Mines plant, resulting in a slower ramp up in production
- Tennant Mines gold processing plant commissioned on budget and on schedule with steady state production of approximately 50,000oz per annum now expected during the first quarter of FY26
- Group all-in sustaining costs (AISC) for FY25H2 estimated between US\$1,525 and US\$1,550 (previous guidance of US\$ 1,450/oz to US\$1,500/oz) at an average exchange rate of US\$/ZAR:18.50, primarily as a result of lower than expected production following the slower than anticipated ramp up in production at Evander underground and realised losses on the zero cost collar hedges of approximately US\$25/oz
- Group AISC for FY25 is expected to be between US\$1,550/oz to US\$1,575/oz at an average exchange rate of US\$/ZAR:18.50 (previous guidance of US\$1,450/oz to US\$1,500/oz). This AISC includes the impact of zero cost collar detailed above
- Production guidance for FY26 of between 275,000oz and 292,000oz, an increase of approximately 40% compared to expected FY25 production at an AISC of between US\$1,475 and \$1,525

GROUP GOLD PRODUCTION FOR FY25

The notable increase in the Group's production in FY25H2 is as a result of the following:

- The successful ramp up at the Mogale Tailings Retreatment (MTR) operation
- Steady production at Elikhulu and Barberton Tailings Retreatment Plant (BTRP)
- Improved grades and tonnages following the commissioning of the Evander subvertical shaft
- Much improved production from all of the Barberton underground operations.

Production for FY25 is estimated at approximately 197,000oz (FY24: 186,039oz), an increase of approximately 6% from the prior financial year.

SURFACE OPERATIONS

- Elikhulu production is estimated at approximately 26,000oz for FY25H2, and is on track for achieving production of more than 52,000oz for FY25 (FY24: 54,812 oz)
- The MTR operation reached steady state production during December 2024
 - Production of approximately 21,000oz for FY25H2, with estimated production of approximately 30,000oz for FY25
 - The expansion of the plant from 800Ktpm to 1Mtpm, with the addition of two carbon-in-leach (CIL) tanks together with the installation of reactors to further improve recoveries, at a total expansion cost of US\$6.5 million, is in progress. This will result in an increase in production from 50,000oz to approximately 60,000oz per annum, with the expansion project expected to be completed during FY26
 - MTR has successfully concluded a three-year wage agreement with its employees at an average wage increase of 5% per annum over the three-year period, providing stability to the operation
 - Soweto Cluster Feasibility Study (FS) is on track for completion by September 2025, with the study focusing on the option of constructing a new processing facility which would be a stand-alone operation also producing approximately 50,000oz per annum
- BTRP is expected to achieve production of approximately 8,000oz in FY25H2, with full year production of approximately 15,500oz (FY24: 18,888). As previously reported, the remaining life-of-mine (LOM) of the BTRP has now been increased to six years from current surface sources
- Construction work at Tennant Mines' Nobles operation, at a cost of US\$36 million, was completed with successful hot commissioning during April 2025. An inaugural gold pour from this operation was achieved in May 2025. Production ramp up was slower than expected as a result of a delay in the commissioning of the filter presses associated with the dry stack landforms (tailings section) of the plant. Steady-state throughput at an annualised rate of circa 50,000oz is expected to be achieved during the first quarter of FY26.

UNDERGROUND OPERATIONS

- The sub-vertical hoisting shaft commissioning at the Evander underground operation was completed during January 2025, with ramp-up to its expected hoisting capacity achieved during April 2025, enabling full production from 24-25 levels and production of approximately 27,000oz expected for FY25
 - Average production for the last two months of FY25 of approximately 3,850oz per month, confirming production capacity of ~50,000oz per annum going forward
- Barberton Mines
 - The restructuring of the underground operations was successfully completed in May 2025, with an approximate 20% reduction in the overall Barberton workforce
 - Excellent improvement in performance of all underground operations during FY25H2, as follows:

- Fairview Mine expected production of approximately 22,000oz (FY25H1: 19,096oz), an increase of 15%
- Consort Mine production is expected to increase by 70% to approximately 5,500oz for FY25H2 (FY25H1: 3,242oz), with this operation now positively contributing to cash flow
- Sheba Mine production is expected to increase by 20% to approximately 10,600oz (FY25H1: 8,805oz) as a result of access to higher grade mining areas and initiatives to improve productivity.
- Production of approximately 38,000oz is expected for the Barberton Mines underground operations in FY25H2 (FY25H1: 31,142oz), with full year production of approximately 69,000oz (FY24: 71,470oz).

FINANCIAL

- The Group is expected to be fully degeared (in terms of net debt) in the next 12 months at prevailing gold prices
- The Group will be unhedged from 1 July 2025, following the expiry of the last zero cost collars at the end of June 2025, and the synthetic forward that matured at the end of February 2025, allowing the Group to fully benefit from prevailing gold prices. Realised losses on these zero cost collars is estimated to have a negative impact on AISC of approximately US\$25/oz for FY25H2
- The Group expects AISC for FY25H2 of between US\$1,525/oz to US\$1,550/oz at an exchange rate of ZAR18.50/US\$. This represents a significant improvement from the US\$1,675/oz for FY25H1, with full year AISC expected to be between US\$1,550/oz and US\$1,575/oz.
- AISC guidance for FY26 is between US\$1,475 and \$1,525, with the following contributing positively to the cost outlook for FY26:
 - Increase in the contribution to Group production from lower cost surface operations, with a full year of production from MTR and Tennant Mines
 - Increased production from Evander underground operations
 - Reduction in the labour cost for the Barberton underground operations, following the successful conclusion of the operation's restructuring programme
 - Savings arising from the extensive use of renewable energy projects
 - Ongoing efforts to contain costs and reinforcing a culture of cost consciousness.

FY26 PRODUCTION GUIDANCE

Group production for FY26 is expected to increase substantially, principally as a result of steady-state production at the MTR operation, increased production from Evander underground (following substantial investments in infrastructure and underground development over the last years), as well as the production contribution from Tennant Mines, with production ramp up expected to be completed in the first quarter of FY26.

Group production for FY26 is expected to be between 275,000oz and 292,000oz as outlined below:

Operation	Production Range (oz)
Elikhulu	49,000-51,000
BTRP	13,000-15,000
MTR	52,000-54,000
Tennant Mines	46,000-50,000
Evander underground	46,000-50,000
Barberton Mines underground	69,000-72,000
Total	275,000-292,000

SHARE BUYBACK PROGRAMME

Pan African is pleased to announce that the board of directors (Board) has approved a share buyback programme to purchase up to ZAR200 million (approximately US\$11.1 million) of ordinary shares of £0.01 each in the Company (Shares), commencing on 17 June 2025 (the Programme). The Company's profits available for distribution exceed the maximum amount proposed to be paid by the Company in implementing the Programme.

The Board believes that at the current Share price, the Company's Shares offer significant value, given the quality and profitability of the Group's existing operations and growth projects. The Board has therefore taken the decision to implement the Programme as part of the Company's broader strategy to deliver value to shareholders.

Purchases pursuant to the Programme will be made under the authority granted by shareholders at the Company's 2024 annual general meeting (the Repurchase Authority) which enables the Company to make market acquisitions of Shares in accordance with the Companies Act 2006. The Programme will be conducted in accordance with the Market Abuse Regulation 596/2014 and the Commission Delegated Regulation (EU) 2016/1052 (each as in force in the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended by the Market Abuse Regulation (Amendment) (EU Exit) Regulations 2019) (MAR Buy-Back Regulation). The Company has been advised that in order to comply with the UK Companies Act, it is likely that the Company will be required to implement the Programme exclusively by acquiring Shares on the AIM Market of the London Stock Exchange (LSE), as the JSE is not a "Recognised Investment Exchange" of the Financial Conduct Authority in the UK. The Company will be seeking a dispensation from the JSE to implement the Programme exclusively on the AIM Market of the LSE before commencement of the Programme. However, in any event, all shareholders registered on both the UK register and the South African register will benefit from the implementation of any purchases pursuant to the Programme, as a result in the reduction in share capital for the Company as a whole.

The Repurchase Authority permits the purchase of a maximum of 144,486,033 Shares at a maximum price (excluding expenses) of 105 per cent of (i) the average closing price of a Share as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase.

Purchases pursuant to the Programme will take place on the London Stock Exchange (LSE) as permitted by the Companies Act 2006 and in compliance with the MAR Buy Back Regulation. Pan African has entered into agreements with Peel Hunt LLP ("Peel Hunt") to carry out on-market purchases of its Shares. The agreement grants Peel Hunt the authority to enact purchases and make trading decisions concerning the timing of the purchases under the Programme independently of and uninfluenced by the Company during any closed period to which the Company is subject and/or if the Company comes into possession of inside information.

Purchases pursuant to the Programme will be carried out in compliance with the relevant conditions for trading, restrictions regarding time and volume, disclosure and reporting obligations, and price conditions. The Shares will be repurchased at a price (excluding expenses) that does not exceed the last independent trade or the highest current independent bid on the relevant trading platform. The Company intends to cancel those Shares purchased.

Details of any purchases made under the Programme will be provided *via* SENS and RNS announcements and published on the Company's website.

Cobus Loots, Pan African's CEO commented:

"We are saddened by the loss of a colleague following a fatal accident in a Sheba underground workshop last week, with an auto electrician succumbing to injuries sustained whilst on duty. Our thoughts and prayers are with the family and friends of the deceased, as we continue to work towards our goal of zero harm.

The commissioning during May 2025 of the processing plant at Tennant Mines in Australia is a significant achievement for the Group and maintains our track record of delivering new mining projects on time and within budget. We have also now demonstrated our ability to commission large scale projects outside of South Africa. In addition to a notable immediate increase in Pan African's production capacity, our investment in Tennant also provides for exciting growth in a Tier-1 mining jurisdiction, with some 1,700 square kilometres of prospective exploration ground, and our newly established processing plant at Tennant Mines being the only such facility in the region.

The performance of our surface operations at Elikhulu, MTR and BTRP remained consistent and largely unaffected by the excessive rainfall experienced throughout South Africa early in this calendar year, with these world class assets on track to achieve full-year production guidance.

Additionally, steady progress has been made on our South African underground operations, with improved operational performances achieved at all our mines in the second half of the financial year. The restructuring of the Barberton operations has already yielded positive results and productivity improvements, evidenced by increased gold production. Evander's underground is also now positioned to deliver a notable production increase in the year ahead, following a period of large-scale investment into this long-life asset.

I believe the Group has never been better positioned to take advantage of record gold prices, with record second half gold production being testament to that achievement. Increased cashflow generation and de-gearing is allowing our business to continue to invest and grow, whilst also increasing cash returns to shareholders. The share buy back programme approved by our board demonstrates our confidence in the Group and its prospects.

We look forward to reporting our final results for the year ended June 2025 on 10 September 2025, where additional details on progress with our growth projects and sustainability initiatives will be presented."

The information contained in this announcement is the responsibility of the Board and has not been reviewed or reported on by the Group's external auditors.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service (RIS), this inside information is now considered to be in the public domain.

Rosebank

11 June 2025

For further information on Pan African Resources, please visit the Company's website at

www.panafricanresources.com

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