MATERIAL MATTERS

Identifying and addressing our material matters is fundamental to delivering our strategy and creating sustainable long-term value for shareholders and other stakeholders. Our assessment considers both the financial implications of ESG matters on the Group, as well as the impacts of our activities on society, communities and the natural environment. Integrating these considerations into strategic planning, capital allocation, risk management and reporting supports informed decision-making and enhances the long-term resilience of the business.

INTEGRATED THINKING

We identify our material matters and assess their impact on our business model and our strategic execution.

Through double materiality, we also consider the impact our business can have on external stakeholders and the environment.

HOW WE DEFINE OUR MATERIAL MATTERS

01 Review and analyse our business model, operating environment and risks and opportunities

02 Engage with our key stakeholders through various platforms

03 Brainstorm with executive and senior management in a dedicated, externally facilitated double materiality workshop

04 Collate, analyse and categorise information and prioritise all matters identified

05 Present the identified material matters annually to the board for review

06 Material matters are addressed and, to the extent possible, reported on with the aim of providing all our stakeholders with a balanced view of our business

Our material matters are integrated into the Group's strategy and directly inform strategic objectives, capital allocation decisions, operational priorities and enterprise risk management (refer to **pages 24 to 29**).

Performance against these objectives is monitored through clearly defined KPIs approved by the remuneration committee (Remco) and overseen by the board and the social and ethics committee.

Material matters with an environmental and social impact are discussed in greater detail in the **sustainable development report**, which is available on our website at https://www.panafricanresources.com/investors/gri-and-sustainability/

DOUBLE MATERIALITY

Our material matters are shown on **page 37**. They encompass:

Impact materiality
Our impact on society, communities and the environment

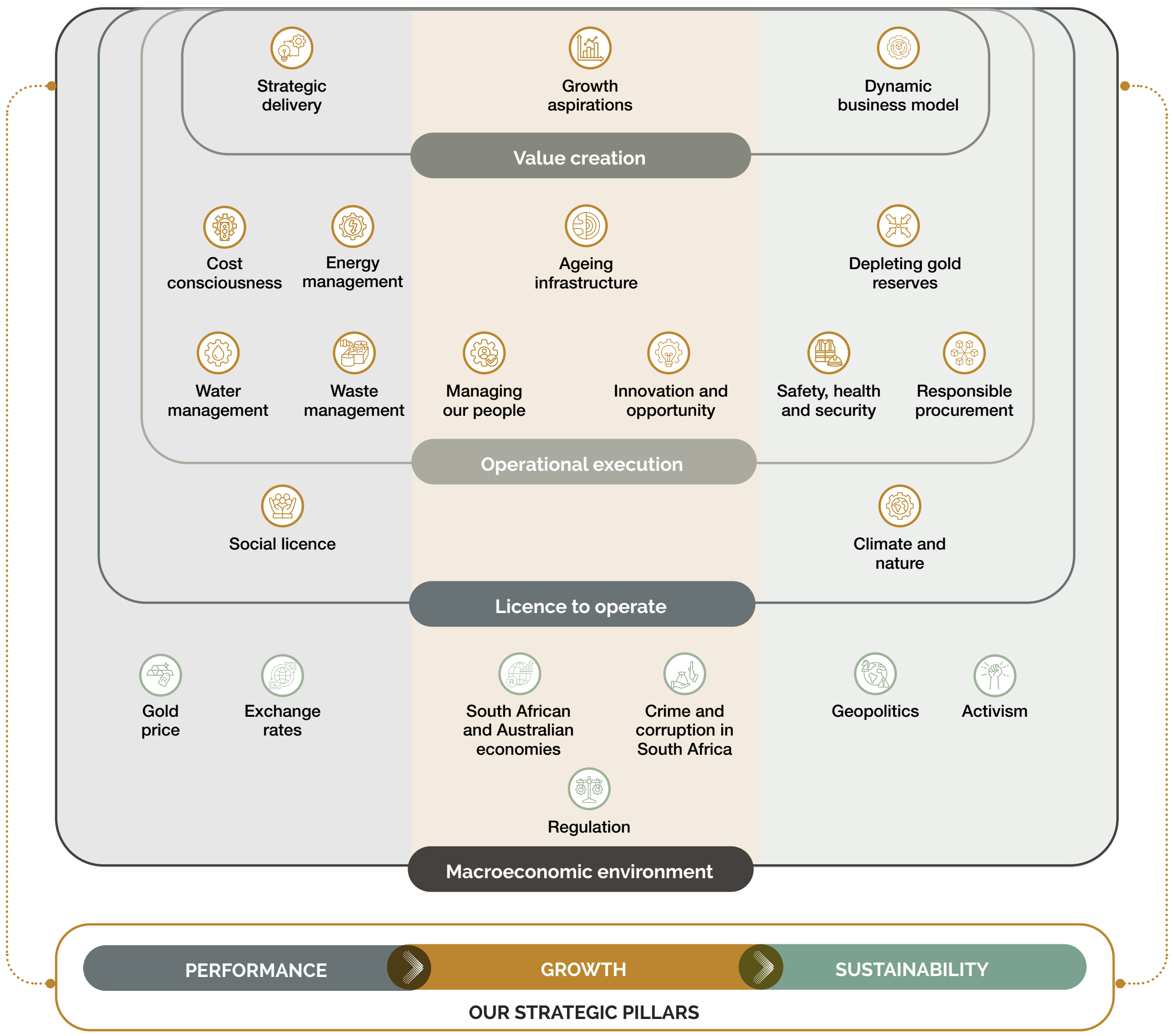
Financial materiality
Matters that influence Pan African's ability to create or preserve value over the short, medium and long term

SPHERES OF INFLUENCE

We arrived at these material matters after assessing our ability to exert influence over them. The graphic reflects our material matters according to our spheres of influence and the varying degrees with which we can influence these matters in pursuit of our purpose.

OUR PURPOSE

Value creation	Operational execution	Licence to operate	Macroeconomic environment
We are committed to creating sustainable value for all our stakeholders	> by optimally and consistently extracting gold from mineral deposits	> through responsible mining	> (within the constraints of our macroeconomic environment)



The material matters are underpinned by our **strategic pillars** (refer to **page 24**), denoting three distinct **material themes**.

Macroeconomic risk factors, which have the potential to materially impact our performance or future value creation, are almost entirely of an external nature and are therefore not included in our list of material matters.

MATERIAL MATTERS continued

Capitals: Financial capital; Manufactured capital; Intellectual capital; Human capital; Social and relationship capital; Natural capital

Time horizon: Short-term focus (one year); Medium-term focus (two to three years); Long-term focus (three years or more)

Link to ESG: E Environmental impact; S Social impact

VALUE CREATION

What is material to our strategy and sustainable value creation?

Strategic delivery

Our profitability is influenced by several factors other than the gold price, including production levels, cost-containment measures, efficiency in extracting gold and maintaining a robust capital structure

Time horizon

Other capitals impacted

Why this is important

- Effective execution enhances profitability, maintains operational efficiency and secures our competitive advantage
- Maintaining a robust capital structure enhances our operational resilience and enables growth
- It enhances our ability to tap into market expectations and to continue to deliver attractive returns to shareholders

Progress in FY26

- Gold produced increased to 272,310oz (FY25: 196,527oz)
- Construction commenced on a float concentrator circuit at the BTRP
- Commenced construction of the Winkelhaak pump station which will ensure sustainable feed to Elikhulu for the remainder of the LoM

For further metrics, refer to the financial capital KPIs on **page 74**

Long-term objectives

- Maintain robust returns through commodity cycles by adopting a disciplined investment strategy focused on projects and operations on the lower end of the cost curve
- Ensure sustained profitability
- Increase the Group's annual gold production profile through disciplined organic growth, operational optimisation and value-accretive acquisitions, while maintaining a robust capital structure and delivering sustainable shareholder returns

Growth aspirations

Our portfolio of growth projects and expansion opportunities has been rigorously evaluated and meets our strict investment criteria, ensuring that we can deliver long-term value to our shareholders

Time horizon

Other capitals impacted

Why this is important

- Successfully executing capital growth projects allows the Group to increase annual production, advance its position among mid-tier gold producers and deliver long-term value to shareholders

Progress in FY26

- Successfully commissioned and ramped up the Nobles Gold operation in Australia
- Completed the definitive feasibility study (DFS) for the Soweto Cluster, supporting the expansion of the Group's surface retreatment portfolio
- Continued advancing the Evander Mines 24 and 25 Level operation
- Advanced Barberton Mines' underground growth projects, including the Western Cross (Sheba Mine) deposit, Fairview Main Reef Complex (MRC) development deepening and access at Consort Mine's Prince Consort (PC) Shaft higher-grade blocks
- Acquired Emmerson, further consolidating the Northern Territory gold field
- Established a district-scale exploration and development portfolio within the TCMF

For further metrics, refer to the financial capital KPIs on **page 74**

Long-term objectives

- Strategically leverage growth projects and expansion opportunities to extend the life of our operations, diversify the portfolio and utilise expertise in exploration and surface tailings retreatment to construct and operate similar facilities in other jurisdictions
- Manage the capital structure to ensure flexibility and the ability to fund value-accretive growth

Dynamic business model

Our business model is adaptable and able to pivot to the most attractive options and opportunities presented in the sector at any given point in time. We are able to adjust our business model in an expedient and efficient manner when required

Time horizon

Other capitals impacted

Why this is important

- Focusing on high-margin and sustainable capital growth projects and strategies enables the Group to deliver long-term value to shareholders

Progress in FY26

- Low-cost surface remining operations produced 45% of all gold produced (FY25: 51%)
- Advanced near-term, low-cost and low-risk production growth from a Tier 1 mining jurisdiction (Australia)
- Successfully diversified the Group's geographical footprint through the establishment of a second operating asset in Australia

Long-term objective

- Maintain a sustainable and resilient business model that consistently delivers profitable operations, drives operational efficiency, maintains a competitive advantage and maximises shareholder value through effective execution and a robust capital structure

OPERATIONAL EXECUTION

What is material to executing our operational plans?

Cost consciousness

We prioritise sustainable profitability, growth and expansion through disciplined cost and cash flow management, well-considered strategic capital allocation and prudent capital spending

Time horizon

Other capitals impacted

Why this is important

- Delivering on annual cost and production guidance ensures profitable operations and the cash flows to meet capital expenditure, financing and other obligations, while improving investor confidence
- Effective cost management supports long-term sustainability and growth

Progress in FY26

- US$5.1 million (FY25: US$4.2 million) in cost savings from various energy solar and efficiency projects
- Focus on cost controls, with increases in line with inflation

For further metrics, refer to the manufactured capital KPIs on **page 74**

Long-term objectives

- Maintain a culture of disciplined cost and cash flow management as well as considered strategic capital allocation, ensuring that all capital allocation decisions undergo rigorous analysis and adhere to predefined risk-adjusted return parameters
- Safely delivering the right ounces at the right cost

Energy management

The availability and cost of electricity are critical input factors in achieving our production targets and maintaining profitability

Time horizon	Link to ESG
	E

Other capitals impacted

Why this is important

- The migration to renewable energy sources enhances the sustainability of the Group's future gold production and contributes to anticipated cost reductions

Read more about our **renewable energy strategy** in the climate and nature overview on **page 150**

Progress in FY26

- Electricity costs increased by 58.8% to US$65.6 million (FY25: US$41.3 million), primarily as a result of a 12.74% increase in Eskom tariffs
- The Group achieved an 8.1% (FY25: 8.8%) renewable energy mix
- Finalised a feasibility study to construct a 6.84MWh solar photovoltaic (PV) facility and integrated battery energy storage system (BESS) at Tennant Mines, with construction commencing in March 2026
- Installation of 10MVA diesel generator sets at Barberton Mines

For further metrics, refer to the natural capital KPIs on **page 75**

Long-term objectives

- Transition to renewable energy sources while improving energy efficiency, strengthening energy security and reducing GHG emissions intensity across the Group
- We aim to optimise the utilisation of renewable energy across our operations, ensuring long-term environmental stewardship and financial resilience

Water management

Our focus on effective wastewater treatment and efficient water utilisation aims to reduce costs, drive sustainability and optimise performance

Time horizon	Link to ESG
	E

Other capitals impacted

Why this is important

- Our water recycling projects support future gold production, AISC reductions, operational resilience and climate adaptation
- Our water treatment plant initiatives reduce reliance on municipal and third-party water sources

Read more about our **water management** on **page 140**

Progress in FY26

- US$1.0 million (FY25: US$0.4 million) in cost savings from Evander Mines' water treatment plant. The expansion of the plant was completed during the year
- Commissioned a 3ML per day water treatment facility at MTR to provide potable water for the operation
- Increased the water treatment facility capacity at Elikhulu from 3ML to 6ML per day

For further metrics, refer to the natural capital KPIs on **page 75**

Long-term objective

- Enhance water management practices, focusing on effective wastewater treatment and efficient water utilisation, in order to drive operational efficiency, environmental sustainability and cost optimisation

MATERIAL MATTERS continued

Capitals: Financial capital; Manufactured capital; Intellectual capital; Human capital; Social and relationship capital; Natural capital

Time horizon: Short-term focus (one year); Medium-term focus (two to three years); Long-term focus (three years or more)

Link to ESG: Environmental impact; Social impact

OPERATIONAL EXECUTION continued

What is material to executing our operational plans?

Waste management

We are committed to responsible tailings management, including the rehabilitation and recycling of waste products, to minimise the impact on the environment

Time horizon	Link to ESG
Short, Medium, Long	Environmental

Other capitals impacted

Why this is important

- Responsible tailings management is critical for environmental protection, risk mitigation, regulatory compliance and stakeholder trust

Read more about our **TSF management** in the climate and nature overview on **page 142**

Progress in FY26

- Assessed the Group's TSFs for compliance with the 'as low as reasonably practicable' (ALARP) principle in the GISTM

Long-term objective

- Continue implementing best-practice tailings stewardship, progressive rehabilitation and circular economy initiatives through the safe reprocessing of historical mine tailings and responsible management of new tailings facilities

Ageing infrastructure

The nature of our underground mining operations results in higher temperatures, longer travel times and logistical challenges. This necessitates increased capital expenditure and maintenance costs to sustain operational efficiencies and reliability of infrastructure

Time horizon

Other capitals impacted

Why this is important

- Continuous infrastructure investment is essential to ensure the safety, sustainability and profitability of our mines, thereby safeguarding our overall performance and long-term sustainability

Progress in FY26

Barberton Mines

- Upgrade of Fairview Mine's 3 Shaft winder
- Commenced upgrades of the MRC winder at Sheba Mine

Evander Mines

- 7 Shaft critical steel replacement successfully completed
- Commissioned four battery electric locomotives to replace aged diesel equipment
- Replaced oil circuit breakers with vacuum circuit breakers on 18 Level at 8 Shaft
- Replaced the aged cooling tower of compressor number 4 at 8 Shaft
- Installed new refrigeration equipment on 17 Level at 8 Shaft as part of the phase 2 refrigeration upgrade for Evander Mines

MTR

- Installed pumping arrangements in 9 Shaft to replace the in-pit water pumping systems

Tennant Mines

- Completed engineering works on the filter presses to ensure availability of the tailings circuit
- Installed water pumping arrangements at Juno underground workings replacing the systems within the Nobles pit

Long-term objective

- Implement continuous infrastructure maintenance programmes to ensure the safety of our employees as well as the efficiency and long-term sustainability of our mines

Managing our people

We focus on attracting, developing and training talent through transparent and constructive relationships with our employees and unions. We promote employee health and wellness to cultivate employee trust and confidence

Time horizon	Link to ESG
Short, Medium	Social

Other capitals impacted

Why this is important

- Ongoing, effective talent development and succession planning are essential to ensure we have the necessary skills to meet our strategic objectives and operational needs

Read more about **managing our people** in the social overview on **page 164**

Progress in FY26

- Remuneration policies to ensure attraction and retention of world-class senior executives
- Skills and development training expenditure of US$2.2 million (FY25: US$2.4 million)
- A performance management system was implemented at Evander Mines and Barberton Mines
- The MyPAR App is designed to bridge the gap between legacy systems of record and the frontline workforce. By integrating fragmented data from human resources, payroll, safety and production into a single, mobile-first ecosystem, MyPAR transforms how we engage, train and manage our people. Our vision with the MyPAR App is that every Pan African employee, from underground to boardroom, will be connected through a unified digital ecosystem that drives safety, productivity, compliance and continuous improvement

Also refer to the human capital KPIs on **page 75**

Long-term objective

- Develop leadership and technical skills by cultivating an internal pipeline of successors for critical roles, ensuring readiness for key positions, fostering continuity and resilience across our operations

Innovation and opportunity

Our entrepreneurial and performance-driven culture fosters innovation. Diversifying our portfolio and investing in sustainable solutions enhance long-term profitability and contribute to a sustainable future

Time horizon

Other capitals impacted

Why this is important

- Embracing an entrepreneurial and performance-driven culture, complemented by leveraging technology as a tool for employee engagement, education and self-development, enhances decision-making and fosters improved employee retention, communication and safety within the working environment

Progress in FY26

- Successfully ramping up two new operations (MTR to 1,000ktpm and Tennant Mines to 70ktpm)
- Continued investment in renewable energy and water recycling
- An integrated, technology-driven security strategy is in place
- Upgraded Group enterprise resource planning (ERP) systems
- Completed the acquisition and integration of Emmerson, consolidating the Group's exploration and development pipeline in the Northern Territory of Australia

Long-term objectives

- Cultivate and sustain an entrepreneurial and performance-driven culture that fosters innovation and embraces sustainable solutions, thereby enhancing long-term profitability and contributing to a sustainable future
- By investing in innovative technologies, we aim to enhance employee engagement, communication and safety

Depleting gold reserves

Gold mining involves the extraction of a scarce and limited resource in the most efficient way. New deposits are inherently difficult and costly to find, delineate, estimate and economically acquire

Time horizon

Other capitals impacted

Why this is important

- Reliable delineation and estimation of Mineral Resources and Mineral Reserves enhances profitability, maintains operational efficiency and secures our competitive advantage
- Successfully executing capital growth projects enables the Group to increase annual production, advance its position among mid-tier gold producers and deliver long-term value to shareholders

Progress in FY26

- An independent Mineral Resources and Mineral Reserves audit was conducted
- Barberton Mines is further improving its geological modelling capabilities
- Expanded the MTR operation from 840ktpm to 1,000ktpm and completed the Soweto Cluster DFS
- Consolidated and expanded the Tennant Creek Mineral Resource and Mineral Reserve pipeline through the acquisition of Emmerson, advancement of the large-scale and high-grade White Devil project and ongoing gold and copper-gold exploration across the TCMF

Long-term objectives

- Maintain a pipeline of Mineral Resources and Mineral Reserves to ensure sustainable future production
- Ensure acceptable grades recovered
- Continue converting Mineral Resources to Mineral Reserves through exploration, geological modelling and disciplined project development

Safety, health and security

The safety and security of our people and projects are paramount to our long-term sustainability

Time horizon	Link to ESG
Short, Medium, Long	Social

Other capitals impacted

Why this is important

- Promoting and providing a safe working and operating environment is key to the well-being of our employees and the sustainability of our operations

Read more about **security management** in the social overview on **page 168**

Progress in FY26

- Revitalised safety awareness campaigns across all operations
- Continued focus on preventing unsafe activities, addressing non-compliant equipment and ensuring safe work environments
- Continuous implementation of a multi-layered security strategy structured around prevention, detection, response and collaboration
- Extensive work was done to modernise safety training via the MyPAR App. By taking a worker-first approach to achieve zero harm through digital learning, our aim is to provide fully compliant annual health and safety refresher training via the employee's phone at no cost to the employee. Via bite-sized training videos with accompanying learning assessments, training time is shortened significantly.

For further metrics, refer to the human capital KPIs on **page 75**

Long-term objective

- Maintain a culture of safety, security, health and wellness that prioritises the well-being of our employees and contractors, aiming to achieve zero harm in our operations

MATERIAL MATTERS continued

Capitals
Financial capital · Manufactured capital · Intellectual capital · Human capital · Social and relationship capital · Natural capital

Time horizon
Short-term focus (one year) · Medium-term focus (two to three years) · Long-term focus (three years or more)

Link to ESG
E Environmental impact · S Social impact

OPERATIONAL EXECUTION continued

What is material to executing our operational plans?

Responsible procurement

We adhere to a responsible sourcing approach to procurement and our supply chain. We actively source the best products and services in an economical, ethical, environmentally sustainable and socially conscious way

Time horizon	Link to ESG
	E S

Other capitals impacted

Why this is important

- As a respected mining company, we are committed to 'beyond compliance' sustainability performance

Progress in FY26

- We expect all suppliers to engage in lawful, fair and ethical business practices seeking to eradicate all forms of safety, modern slavery, environmental, human and labour risks across their value chains, anti-bribery and corruption legislation, industry regulations, policies, site requirements and other supply conditions. In support of responsible sourcing, we actively promote supplier development programmes and prioritise sourcing from local suppliers wherever practicable

Long-term objectives

- Uphold and strengthen our social licence to operate by proactively engaging in ethical procurement
- Maintain a culture of safety, security, health and wellness that prioritises the well-being of our employees and contractors
- Minimise the impact of our procurement on the environment
- We are committed to ensuring ongoing compliance with all relevant legislative and regulatory requirements

LICENCE TO OPERATE

What is material to our licence to operate?

Social licence

We manage community expectations and mitigate social unrest through local sourcing, development projects, infrastructure delivery, employment opportunities and our 'beyond regulatory compliance' approach for the benefit of our stakeholders

Time horizon	Link to ESG
	S

Other capitals impacted

Why this is important

- A significant portion of our employees are from local communities. Through the implementation of SLP initiatives and 'beyond compliance' projects, we actively contribute to the sustainability of these areas, thereby fostering a more stable operating environment
- By investing in improved infrastructure and creating job opportunities, we aim to establish a sustainable economy outside of mining, mitigating the risk of ghost towns once mining activities cease

Read more about **community investment** in the social overview on **page 172**

Progress in FY26

- Barberton Mines' high school scholarship programme
- 18 (FY25: 17) permanent and 205 (FY25: 320) seasonal jobs created by the Barberton Blueberries project
- Barberton Mines and Evander Mines enterprise supplier development programmes
- Partnership with Elangeni Generations Outreach
- Barberton Mines' health and wellness programme
- Barberton Mines' running club
- Sponsored pro-elite running team

For further metrics, refer to the social and relationship capital KPIs on **page 75**

Long-term objectives

- Proactively manage community expectations through ongoing stakeholder engagement forums addressing social risks, namely job creation, economic opportunities for community members, fostering sustainable development, engagement and education, thereby mitigating the risk of social unrest
- Ensure ongoing compliance with all relevant legislative and regulatory requirements

Climate and nature

We uphold environmental preservation and actively participate in programmes that promote biodiversity and support decarbonisation efforts. This minimises environmental impacts, mitigating regulatory risks and fostering positive community relationships

Time horizon	Link to ESG
	E

Other capital impacted

Why this is important

- To protect ecosystems, mitigate climate risks and ensure long-term sustainability, while also enhancing stakeholder value through environmental stewardship and positive community relationships

Read more about **climate change** on **z** and **biodiversity** on **page 144**

Progress in FY26

- No reportable environmental incidents have been reported at all operations
- Generated 41.2GWh (FY25: 39.3GWh) of renewable energy and purchased electricity amounting to 468.1GWh (FY25: 406.8GWh), achieving an 8.1% (FY25: 8.8%) renewable energy mix
- Carbon emissions intensity increased to 1.56tCO_2/oz Au sold (FY25: 1.89tCO_2/oz Au sold)
- Sponsorship of orphaned rhinos at the Care for Wild Rhino Sanctuary
- Continued rehabilitating historical mining liabilities through the BTRP, Elikhulu and MTR operations while advancing the Soweto Cluster project

For further metrics, refer to the natural capital KPIs on **page 75**

Long-term objective

- Advance environmental preservation and sustainability by protecting vital natural resources and ensuring energy security. Through the adoption of a renewable energy mix, we aim to significantly reduce GHG emissions, decarbonise gold production and effectively manage GHG emissions intensity