

## Regulatory Story

**Company** [Pan African Resources PLC](#)  
**TIDM** PAF  
**Headline** Resource Upgrade at Manica and Group Resource Upgrade  
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Pan African Resources PLC

('Pan African' or the 'Company' or the 'Group')

Incorporated and registered in England and Wales under Companies Act 1985 with the registered number: 3937466 on 25 February 2000

Share Code on AIM: PAF

Share code on JSE: PAN

ISIN: GB0004300496

Significant Resource upgrade at Manica Gold Project and  
Group Mineral Resource upgrade

Pan African Resources, the African focused precious metals producer, announces a significant increase in the mineral resource for its Manica gold project in Mozambique, an updated Group Mineral Resource statement as well as a declared reserve statement for the Phoenix Platinum Mining (Pty) Ltd ('Phoenix Platinum') project. This follows the significant increase in the mineral resource and reserve at Barberton Mines (Pty) Ltd ('Barberton') as announced on 31 May 2011.

### Highlights:

#### Manica Gold Project - Mineral Resource upgrade:

	Increased from:	Increased to:	Percentage Increase:
Total mineral resource based on gold content (50.554Mt at 1.82g/t in situ)	2.56Moz	2.99Moz	16%
Total Measured & Indicated mineral resource based on gold content (24.556Mt at 1.75g/t in situ)	1.31Moz	1.38Moz	5%
Inferred mineral resource based on gold content (25.998Mt at 1.90g/t in situ)	1.25Moz	1.58Moz	26%

Group Mineral Resource statement:

	Increased from:	Increased to:	Percentage Increase:
Total mineral resource based on gold content (63.150Mt at 2.79g/t in situ)	4.63Moz	5.67Moz	22%
Total Measured & Indicated mineral resource based on gold content (34.640Mt at 3.07g/t in situ)	2.96Moz	3.43Moz	16%
Inferred mineral resource based on gold content (28.510Mt at 2.43g/t in situ)	1.67Moz	2.24Moz	33%
Proved & Probable reserve based on gold content (3.830Mt @ 8,12g/t)	661,000	1.00Moz	51%

Phoenix Platinum - Proved and Probable Reserve

	Increased from:	Increased to:	Percentage Increase:
A Proved and Probable 4E* metal mineral reserve is declared	-	174,000oz	100%

\* Platinum (56,6%), Palladium (27%), Rhodium (16%) and Gold (0,5%)

Jan Nelson, Chief Executive Officer of Pan African, commented: "The Manica project now represents a 3Moz deposit, which is significant as there are not many gold deposits in Africa in excess of 3Moz, which outcrop on surface. Significant strike-length remains to be tested.

The Company continues to focus on the development of its organic pipeline of projects to increase the profit margin that will, not only continue to grow the value of the company, but also place the Company in a position to continue paying a dividend. We see this as a sound strategy, especially in a market where companies are overpaying on new acquisitions at inflated metal prices to grow metal resources in the ground that potentially might never be brought to account."

Manica Gold project - Mineral Resource upgrade

Over the past two years, a significant amount of work has been completed to test the economic viability of the Manica project. A total geological re-assessment of the mineralised envelopes has been undertaken, which has resulted in the development of a new geological model. The result is that the mineralised envelopes are being projected with greater geostatistical confidence than before. The Company continues exploring optimum ways to bring this project to account.

Group Mineral Resource upgrade

Of the total gold mineral inventory, Barberton Mines represents 48% or 2.70Moz (12.600Mt @ 6.64g/t) and Manica 52% or 2.966Moz (50.554mt @ 1.82g/t). In terms of volume, Barberton accounts for 16% (12.6Mt) and Manica for 84% (50.554Mt). In terms of Measured & Indicated gold resource, Barberton accounts for 60% or 2.050Moz (10.090Mt @ 6.30g/t in situ) and Manica for 40% or 1,38Moz (24.556Mt @ 1.75g/t in situ). In terms of Measured and Indicated volume, Barberton accounts for 29% (10.090Mt) and Manica for 69% (24.556Mt).

Barberton accounts for the total gold reserve stated. No reserve is declared for the Manica project. A Proved and Probable 4E\* metal mineral reserve of 174Koz for the Phoenix platinum project is declared. Construction on the Phoenix platinum project is underway and ahead of schedule and first production of 4E metal is expected in Q2 of the 2011/12 financial year.

Pan African consolidated Mineral Resource Inventory as at 1 June 2011 - 100%  
Attributable to Pan African

(Gold operations and Manica projects)

RESOURCE CATEGORY	MASS	GRADE	CONTAINED GOLD		RESERVE CATEGORY	MASS	GRADE	CONTAINED GOLD	
			(kg)	(koz)				(kg)	(koz)
Measured	14,310	3.03	43,300	1,390	Proved	1,220	7.30	8,900	290
Barberton Mines and Manica Indicated	20,330	3.11	63,200	2,040	Probable	2,610	8.51	22,200	710
Inferred	28,510	2.43	69,400	2,240					
Total	63,150	2.79	175,900	5,670	Total Proved and Probable	3,830	8.12	31,100	1,000
Total Measured and Indicated	34,640	3.07	106,500	3,430					

Note: Estimates of Mineral Resource and Mineral Reserve are not precise calculations and errors may occur due to rounding.

\* Pan African combined table compiled from signed off resource estimates for all gold projects

Barberton Mines Resource and Reserve Estimate as at 1 June 2011

	RESOURCE	MASS	GRADE	CONTAINED GOLD		RESERVE	MASS	GRADE	CONTAINED GOLD	
	CATEGORY			(kt)	(g/t)	(kg)			(koz)	CATEGORY
Barberton Mines Mineral Inventory	Measured	2,750	8.45	23,300	750	Proved	1,220	7.27	8,900	290
	Indicated	7,340	5.50	40,300	1,300	Probable	2,610	8.48	22,200	710
	Inferred	2,510	8.01	20,100	650					
	Total	12,600	6.64	83,700	2,700	Total Proved and Probable	3,830	8.12	31,100	1,000
Total Measured and Indicated		10,090	6.30	63,600	2,050					

Note: Estimates of Mineral Resource and Mineral Reserve are not precise calculations and errors may occur due to rounding.

Frans Chadwick, a member of the South African Council for Professional and Technical Surveyors (PLATO) and an employee of Barberton Mines, has signed off on the above Mineral Inventory for Barberton Mines.

MANICA MINERAL RESOURCE as at 1 June 2011

RESOURCE CATEGORY	PROJECT	MASS	GRADE	CONTAINED GOLD	
		(kt)	(g/t)	(kg)	(koz)
Per Category					
Measured	Fairbride	11,561	1.73	19,978	642
	Dots Luck	-	-	-	-
	Guy Fawkes	-	-	-	-
	Boa Esperanza	-	-	-	-
	Total	11,561	1.73	19,978	642
Indicated	Fairbride	10,795	1.64	17,720	570
	Dots Luck	-	-	-	-
	Guy Fawkes	2,200	2.44	5,200	168



		Inferred								
1.65	359	12,000	Total	218	3.66	797	26,000	45%	Total	218
1.10	1,266	41,000	Measured	1,149	2.45	2,813	90,000	45%	Proved	1,149
0.92	Elandskraal 133	4,000	Indicated	145	2.03	295	9,000	45%	Probable	145
	Dumps and Pits		Inferred	42	2.00	84	3,000			
1.08	1,399	45,000	Total	1,336	2.39	3,192	102,000	45%	Total	1,294
0.90	234	8,000	Measured	260	2.00	520	17,000	45%	Proved	260
0.90	Kroondal 27	1,000	Indicated	30	2.00	60	2,000	45%	Probable	30
	Dumps		Inferred	120	2.00	240	8,000			
0.90	261	9,000	Total	410	2.00	820	27,000	45%	Total	290
1.12	Total Surface Tailings 2,018	66,000		1,964	2.45	4,809	155,000	45%	Total	1,802
Current Arisings										
1.65	2,630	85,000	Measured	1,597	3.66	5,845	188,000	45%	Proved	1,597
1.65	Buffelsfontein Tainlings Dams 730	23,000	Indicated	443	3.66	1,622	52,000	45%	Probable	443
			Inferred	642	3.66	2,348	75,000			
1.65	Total Current Arisings 3,360	108,000		2,682	3.66	9,815	316,000	45%	Total	2,040
Total Measured and Indicated (Proved and Probable)										
1.39	Surface Tailings & Measured 4,489	146,000		3,224	3.09	9,975	321,000	45%	Proved	3,224
1.44	Current Arisings 890	28,000	Indicated	618	3.20	1,977	64,000	45%	Probable	618
1.40	Total 5,378	174,000		3,842	3.11	11,952	384,000	45%	Total	3,842
Grand Total (Surface Tailings + Current Arisings)										
1.40	Total Surface and Current Arisings 5,378	174,000		4,646	3.15	14,624	470,000	45%	Total	3,842

Note: Estimates of Mineral Resource and Mineral Reserve are not precise calculations and errors may occur due to rounding.

Geologix MRC (Pty) Ltd is a South African Resources and Geological Consultancy - Deon van den Heever is SACNASP accredited and was responsible for the resource estimate.

Reserve conversion done by E Nel (Pr. Tech.Eng) (MBA), ENC Minerals

Overall mineral inventory checked and signed off by Venmyn Rand

The above resources are compliant with the South African Mineral Resources Code ('SAMREC').

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