

## Pan African Resources PLC

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

Share code on AIM: PAF

Share code on JSE: PAN

ISIN: GB0004300496

("Pan African" or "the Company")



### TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

In terms of paragraph 3.4(b) of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next, will differ by at least 20% from those of the previous corresponding period.

Pan African changed its presentation currency from pounds sterling ("GBP") in the previous reporting period to United States dollars ("USD") for the six months ended 31 December 2019 ("current reporting period"). Reporting in USD provides a more comparable presentation currency for the group's financial position, financial performance and cash flow. All group subsidiaries are incorporated in South Africa and their functional currency is South African rand ("ZAR"). The group's business is conducted in ZAR and the accounting records are maintained in the same currency, except precious metal product sales, which are conducted in USD prior to conversion into ZAR.

The ZAR:USD exchange rate affects the reporting of results in USD. For the current reporting period, the average ZAR:USD exchange rate is used in translating ZAR results into USD.

During the current reporting period, the average ZAR:USD exchange rate was R14.70:1 (2018: R14.19:1), and the closing ZAR:USD exchange rate was R14.08:1 (2018: R14.36:1). The H1-on-H1 change in the average and closing exchange rates of 3.6% and (1.9%), respectively, must be taken into account for the purposes of translating and comparing H1-on-H1 results. The weighted average number of shares in issue remained unchanged at 1,928.3 million shares (2018: 1,928.3 million shares).

Pan African advises shareholders that its USD earnings per share ("EPS") and headline earnings per share ("HEPS") in respect of its operations for the current reporting period are expected to be as follows:

	Six months ended 31 December 2019 Expected results (USD cents)		Six months ended 31 December 2018		Six months ended 31 December 2019 Expected % increase in USD earnings	
	Lower range	Upper range	GBP (pence) <sup>(2)</sup>	USD (cents) <sup>(3)</sup>	Lower range	Upper range
EPS <sup>(1)</sup>	1.12	1.17	0.39	0.50	124%	134%
HEPS <sup>(1)</sup>	1.11	1.16	0.39	0.50	122%	132%

#### Notes

(1) The considerable improvement in EPS and HEPS are principally due to the following:

- Increased low-cost gold production from Elikhulu tailings retreatment plant, with the operation increasing gold sales by 91.6% to 29,301oz (2018: 15,292oz);
- A sizeable increase of 19.8% in the average gold price received to USD1,464/oz (2018: USD1,222/oz); and

- Production from remnant mining and surface sources at Evander operations increasing by 7.4% to 16,284oz (2018: 15,166oz).
- (2) As previously presented, given that the corresponding reporting period's presentation currency was GBP.
- (3) EPS and HEPS in USD, using the average exchange rates for the corresponding reporting period.

The financial information contained in this announcement has neither been reviewed nor audited by the Company's auditors. The group's unaudited interim results for the six months ended 31 December 2019 will be released on 18 February 2020.

For further information on Pan African, please visit the Company's website at [www.panafricanresources.com](http://www.panafricanresources.com)

31 January 2020

Contact information	
<p>Corporate Office The Firs Office Building 2nd Floor, Office 204 Cnr. Cradock and Biermann Avenues Rosebank, Johannesburg South Africa Office: + 27 (0)11 243 2900 info@paf.co.za</p>	<p>Registered Office Suite 31 Second Floor 107 Cheapside London EC2V 6DN United Kingdom Office: + 44 (0)20 7796 8644</p>
<p>Cobus Loots Pan African Resources PLC Chief Executive Officer Office: + 27 (0)11 243 2900</p>	<p>Deon Louw Pan African Resources PLC Financial Director Office: + 27 (0)11 243 2900</p>
<p>Phil Dexter/Jane Kirton St James's Corporate Services Limited Company Secretary Office: + 44 (0)20 7796 8644</p>	<p>John Prior Numis Securities Limited Nominated Adviser and Joint Broker Office: +44 (0)20 7260 1000</p>
<p>Ciska Kloppers Questco Corporate Advisory Proprietary Limited JSE Sponsor Office: + 27 (0)11 011 9200</p>	<p>Ross Allister/David McKeown Peel Hunt LLP Joint Broker Office: +44 (0)20 7418 8900</p>
<p>Julian Gwillim Aprio Strategic Communications Public &amp; Investor Relations SA Office: +27 (0)11 880 0037</p>	<p>Thomas Rider/Neil Elliot BMO Capital Markets Limited Joint Broker Office: +44 (0)20 7236 1010</p>
<p>Bobby Morse/Chris Judd Buchanan Public and Investor Relations UK Office: +44 (0)20 7466 5000 paf@buchanan.uk.com</p>	<p>Website: <a href="http://www.panafricanresources.com">www.panafricanresources.com</a></p>