

Pan African Resources PLC

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(Pan African or the Company or the Group)

EVANDER MINES SOLAR PHOTOVOLTAIC PLANT UPDATE

Pan African is pleased to announce that it has entered into an engineering, procurement and construction agreement with juwi South Africa to construct its 9.975MW solar photovoltaic plant at Evander Mines ("Evander Mines solar photovoltaic plant"). Construction will commence in the first quarter of 2021, with first power expected in the third calendar quarter of 2021.

Part of the international juwi Group, juwi South Africa is one of the world's leading renewable energy companies. To date, juwi South Africa has built six utility scale solar plants totalling 207 MW under the South African Government's Renewable Energy Independent Power Producers Programme (REIPPP). The juwi Group, headquartered in Germany, and its international subsidiaries has completed over 1700 solar plants globally with a cumulative power of more than 3,000 megawatts.

The Evander Mines solar photovoltaic plant will utilise bi-facial module technology to maximise its yield and it will be constructed on previously disturbed land owned by Evander Mines. The Evander Mines solar photovoltaic plant will provide an estimated 30% of Elikhulu's power requirement during daylight hours and is expected to materially reduce electricity costs at this operation. Furthermore, the Evander solar photovoltaic plant is expected to enhance the reliability of the power supply during daylight hours and result in an expected CO2 saving of more than 26,000 tons in its first year of its operation.

The total cost of the Evander solar photovoltaic plant is ZAR140 million, with a calculated payback on this investment of less than 5 years.

This solar photovoltaic plant further reduces Elikhulu's environmental impact and is just one of a number of initiatives in the Group's commitment to producing high-margin ounces in a safe and efficient manner, while investing in local communities and minimising the environmental impact of operations.

Pan African is also assessing the merits of expanding the Evander Mines solar photovoltaic plant in due course to provide for a clean energy feed to its Egoli Project, and of a similar solar photovoltaic plant at the Group's Barberton Mines.

"The Evander Mines solar photovoltaic plant is integral to the Group's purpose of "Mining for a Future" and pursuing ESG initiatives that go beyond compliance. This plant will be one of the first of its kind in the South African mining space. We look forward to commissioning the operation during 2021, on budget and on schedule." - Cobus Loots.

The information contained in this update is the responsibility of the Pan African board of directors and has not been reviewed or reported on by the Group's external auditors.

Rosebank

15 December 2020

Certain information communicated in this announcement was, prior to its publication, inside information for the purposes of Article 7 of Regulation 596/2014.

For further information on Pan African and its ESG initiatives, please visit the Company's website at www.panafricanresources.com

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