

Pan African Resources PLC

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

Share code on AIM: PAF

Share code on JSE: PAN

ISIN: GB0004300496

ADR ticker code: PAFRY

(“Pan African” or the “Company” or the “Group”)

## **TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021**

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’s presentation currency is the United States dollar (US\$). 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 US\$ prior to conversion into ZAR.

The US\$/ZAR exchange rate affects the translation of ZAR results into US\$. The average US\$/ZAR exchange rate is used for this translation.

During the year ended 30 June 2021 (“Reporting Period”), the average US\$/ZAR exchange rate was US\$/ZAR:15.40 (2020: US\$/ZAR:15.67), and the closing US\$/ZAR exchange rate at 30 June 2021 was US\$/ZAR:14.28 (2020: US\$/ZAR:17.33).

The year-on-year change in the average and closing exchange rates of 1.7% and 17.6%, respectively, must be considered when comparing period-on-period results. The weighted average number of outstanding shares remained unchanged at 1,928.3 million shares (2020: 1,928.3 million shares).

Pan African advises shareholders that its headline earnings per share (“HEPS”) and earnings per share (“EPS”), in respect of its operations for the Reporting Period, are expected to be as follows:

- HEPS of between US 3.76 cents per share and US 4.10 cents per share compared to US 2.29 cents per share for the previous corresponding period, being an increase of between 64% and 79% respectively for the Reporting Period.
- EPS of between US 3.76 cents per share and US 4.10 cents per share compared to US 2.30 cents per share for the previous corresponding period, being an increase of between 63% and 78% respectively for the Reporting Period.

The considerable improvement in EPS and HEPS are primarily due to the following:

- Gold and other revenue increased by 34.8% to US\$368.9 million (2020: US\$273.7 million) predominantly due to an increase in gold sold of 12.4% to 201,777oz (2020: 179,457oz) and the average US\$ gold price received increasing by 15.7% to US\$1,821/oz (2020: US\$1,574/oz)

- offset by an increase of 281.0% in the taxation charge for the period to US\$30.1 million (2020: US\$7.9 million) as a result of an increase in taxation payable and the deferred taxation rate, due to an increase in projected taxable income based on expected future profitability, production and capital expenditure.

The financial information contained in this announcement has neither been reviewed nor reported on by the Company's auditors. The Group's audited results for the year ended 30 June 2021 will be released on 15 September 2021.

Rosebank

8 September 2021

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

[www.panafricanresources.com](http://www.panafricanresources.com)

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