

## INTERIM RESULTS PRESENTATION

for the six months ended December 2022

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# OVERVIEW OF PRESENTATION

H1 FY2023 – Key features

Health and Safety

Our operating environment

Overview of our operations

Performance by operation

Further reducing Group AISC

Capital projects (ZAR)

ESG : Our “Beyond compliance” approach

Financials

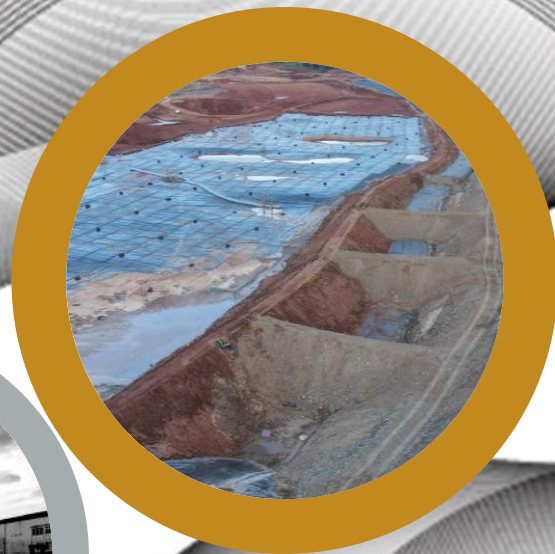
Near term organic growth – Royal Sheba

Exploration – Republic of the Sudan

FY2023 : Focused on delivery

Appendix

## H1 FY2023 – KEY FEATURES





# OPERATIONAL AND FINANCIAL PERFORMANCE

## IMPROVEMENT INITIATIVES IMPLEMENTED AT BARBERTON MINES



### PRODUCTION PERFORMANCE

- Group gold production of 92,307oz following record H1 FY22 production of 108,085oz – impacted by Barberton Mines u/g performance
  - Operational restructuring now implemented at Barberton
  - Other assets performed in line with expectations, despite electricity constraints and inclement weather
- Improved production expected in H2 FY23 – full year production guidance maintained



### COST PERFORMANCE

- Group AISC increased 10.1% to US\$1,291/oz (H1 FY22 US\$1,173/oz) – ZAR719,322/kg (H1 FY22: ZAR567,023/kg)
- >85% of Group production (BTRP, Elikhulu, Evander u/g and Fairview Mines) AISC of US\$ 1,139/oz
 

• BTRP	AISC of US\$725/oz	(H1 FY22: US\$814/oz)
• Elikhulu	AISC of US\$947/oz	(H1 FY22: US\$937/oz)
• Evander Mines' u/g	AISC US\$1,052/oz	(H1 FY22: US\$983/oz)
• Fairview Mines	AISC US\$1,595/oz	(H1 FY22: US\$1,278/oz)
- Target AISC for FY2023 ~ US\$ 1,250/oz\*

\*Assuming an exchange rate of US\$/ZAR:17:00

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# OPERATIONAL AND FINANCIAL PERFORMANCE

## IMPROVEMENT INITIATIVES IMPLEMENTED



### FINANCIAL PERFORMANCE

- Profit after tax of US\$28.9m (H1 FY22:US\$46.1m) - identical to the US\$28.9m generated in H2 FY22
- Attributable earnings lower at US\$29.1m (H1 FY22: US\$46.1m) – impacted by lower gold production at Barberton Mines
- Payment of net dividend of US\$20.0m (FY21: US\$21.6m) in December 2022
- Capital spend for growth projects increased Group net debt to US\$53.7m (H1 FY22: US\$28.2m)
- Inaugural sustainability linked bond issue of US\$47.3 million, principally for Mintails project development
  - The first bond of its kind in the South African market



### ESG

- Rapidly expanding renewable energy footprint
  - Evander 9.9MW solar PV renewable energy plant commissioned - average monthly savings of US\$145,000 achieved
    - Feasibility study completed on 12MW expansion
  - Barberton Mines' 8.5MWac solar PV plant site prepared – construction to commence in June 2023
  - Other energy initiatives planned include power purchase agreements, storage solutions and wind energy
- Evander Mines' u/g water treatment plant: construction complete in February 2023 – cost savings as use of potable water replaced
- Barberton Blueberries project – Flagship 'Beyond Compliance' community project
- Independent assurance audit commissioned on Group ESG data disclosures

# HEALTH AND SAFETY

## SAFETY INITIATIVES REFOCUSED

### Surface operations - maintained excellent safety performance

- Elikhulu achieved excellent results with an improvement in both the LTIFR and RIFR to 1.28 (H1 FY22: 1.50) and RIFR 0,00 (H1 FY22: 1.01) per million man hours

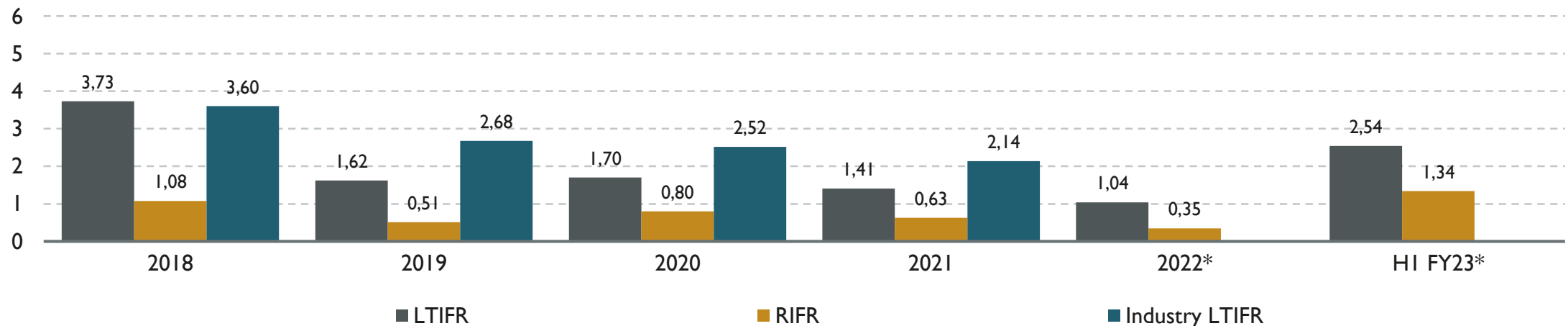
### Group underground operations – increase in reportable accident rates

- Barberton Mines achieved an LTIFR of 1.88 (H1 FY22: 1.02) and RIFR of 0.63 (H1 FY22: 0.20) per million man hours
- Evander Mines' underground operations achieved an LTIFR of 4.72 (H1 FY22: 0.65) and RIFR of 3.76 (H1 FY22: 0.00) per million man hours

**Refocused safety initiatives** to address regression in rates

### Fatality-free shift milestones achieved

- **3.1 million** fatality free shifts at Barberton's Consort Mine in December 2022, and 20 years without a fatality
- **2.3 million** fatality free shifts at Barberton's Sheba Mine in December 2022, and ten years without a fatality
- **2.6 million** fatality free shifts at Barberton operations as at December 2022
- **2.5 million** fatality free shifts at combined Evander/Elikhulu in Jan 2022



\* 2022 & 2023 Industry rates not yet available



## OUR OPERATING ENVIRONMENT



# OUR OPERATING ENVIRONMENT

## OPERATING SUCCESSFULLY IN SOUTH AFRICA



### ELECTRICITY AND TECHNICAL SUPPORT

- New private generation projects and partnerships fast-tracked by government to curb blackouts
- Increased scope for renewable energy projects now possible
  - Group is targeting at least 30MW of installed solar capacity in the next 24 months, cost savings already realised
- Back-up power supply installed to mitigate power disruptions



### SECURITY

- Collaboration with government and peer companies to combat illegal mining and criminality
  - Meaningful and regular interventions by authorities – reduction observed in criminal activity
- Integrated security plan and modernisation of security technology ongoing
- Member of the Global Initiative against Transnational Organised Crime (GITOC)



### MINING TENURE AND REGULATORY FRAMEWORK

- Mining rights secure
  - Barberton Mines' mining rights valid to 2051
  - Evander Mines' mining rights valid to 2038
- Regular inspections/compliance reports to maintain good standing of rights and security of tenure
- SA: well established legal and taxation regime
- Comply with latest international Tailings Storage Facility (TSF) standards as per GISTM requirements – all Group TSFs audited and passed by the regulator

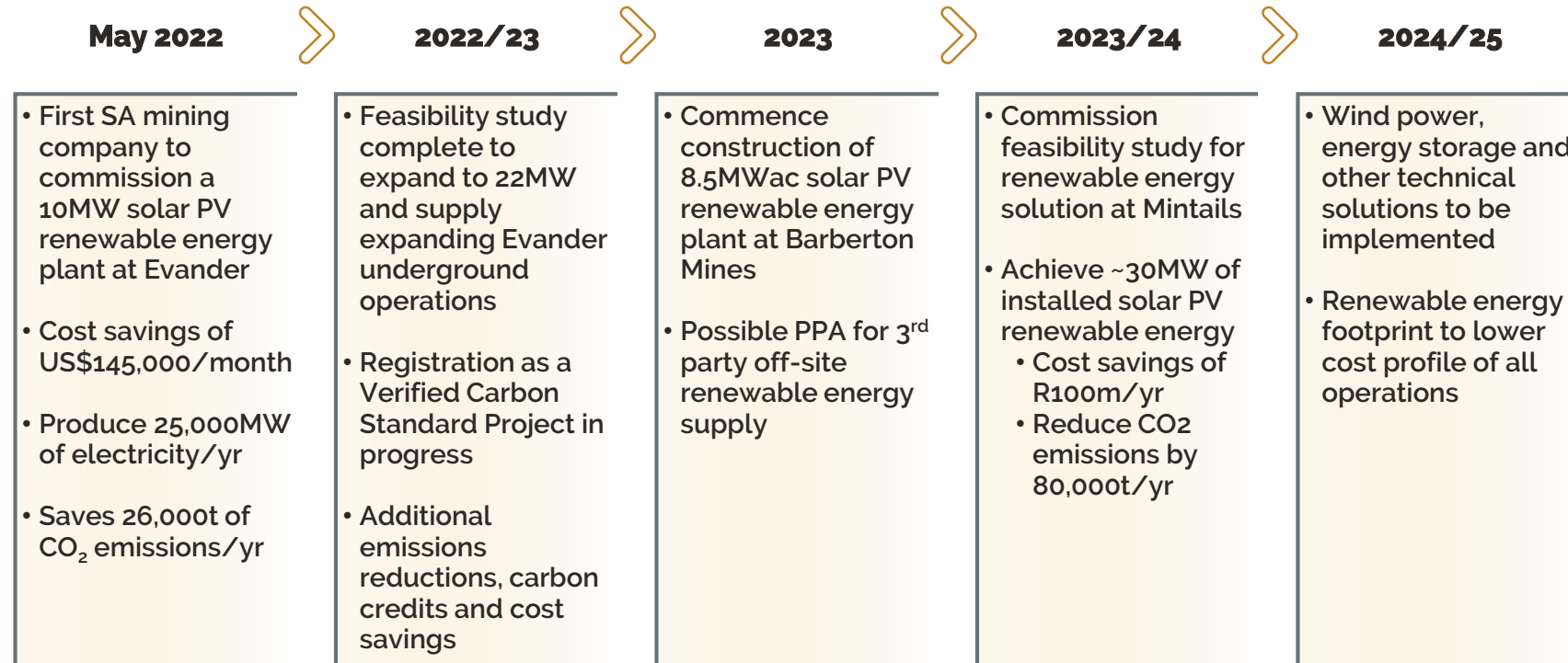


### STAKEHOLDER ENGAGEMENT

- Multi-faceted engagements with all stakeholders, including with our communities and traditional authorities
- Constructive relationships with employees and representative unions
- Focus on 'beyond compliance' initiatives to maintain social licence to operate and strengthen community relations
- Lifestyle diseases, HIV-AIDS, COVID-19 : awareness, prevention and treatment programmes in place

# OUR OPERATING ENVIRONMENT

## OPERATING SUCCESSFULLY IN SOUTH AFRICA – RENEWABLE ENERGY ROADMAP



## FURTHER REDUCTIONS IN EMISSIONS AND COSTS, IMPROVED SECURITY OF SUPPLY



## OVERVIEW OF OUR OPERATIONS

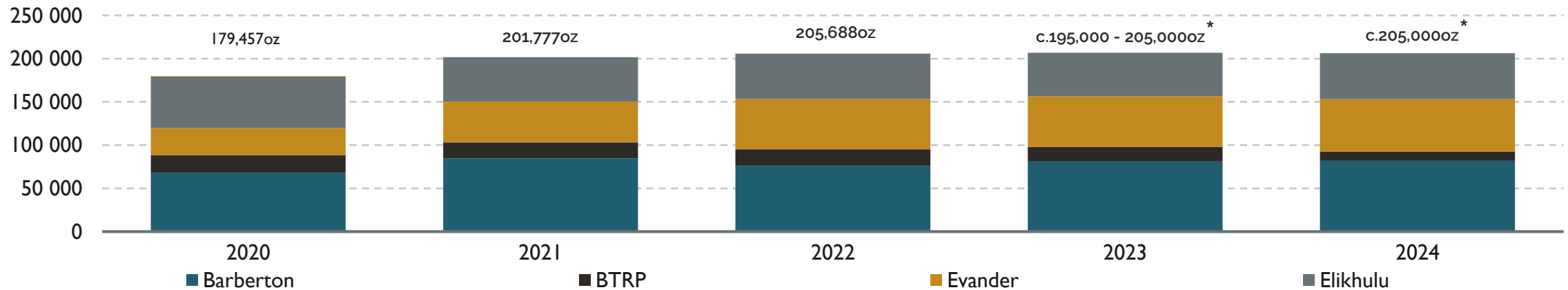


# OVERVIEW OF OUR OPERATIONS

A UNIQUE COMBINATION OF UNDERGROUND MINING AND SURFACE REMINING



PAR Group gold production profile



\*as per guidance

## PERFORMANCE BY OPERATION



Completed Leslie/Bracken pump station at Elikhulu

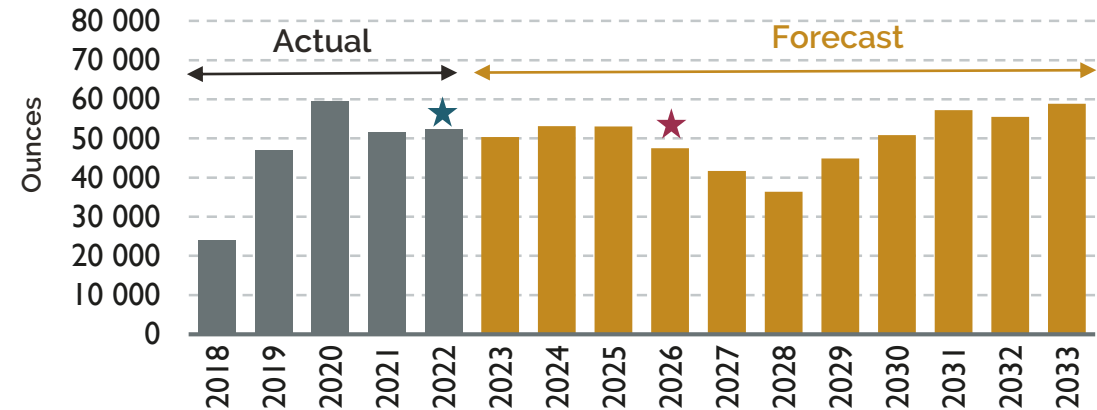


# PERFORMANCE BY OPERATION

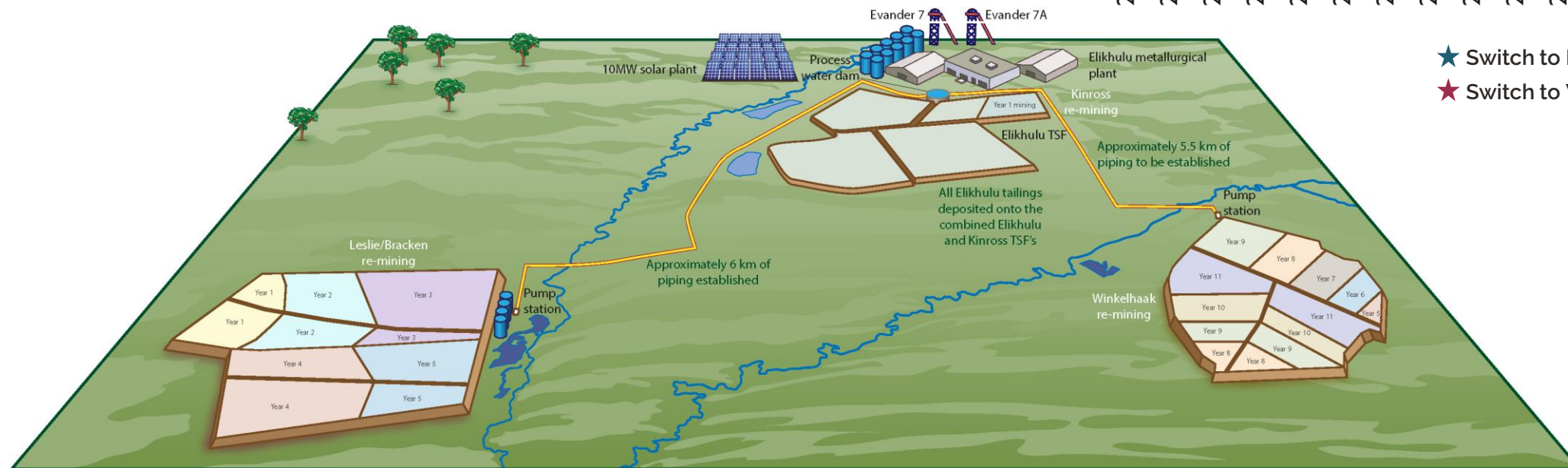
## TAILINGS OPERATIONS – ELIKHULU

- Production steady at 25,830oz (H1 FY22: 25,900oz)
- AISC of US\$947/oz (H1 FY22: US\$937/oz) – one of the lowest cost gold producers in Southern Africa
- 11 Year LOM
- 9.9MW solar photovoltaic renewable energy plant commissioned in May 2022 – electricity cost savings of US\$145,000/month
- Adjusted EBITDA generated: ZAR362m (US\$20.9m) (H1 FY22: ZAR367m; US\$24.4m)
- Completed Leslie Bracken re-mining pump station and related infrastructure
  - Commissioned in September 2022 to sustain production for the next 5 years

Elikhulu LOM production profile\*



- ★ Switch to Leslie TSF
- ★ Switch to Winkelhaak TSF



\*As per updated Group MRMR report

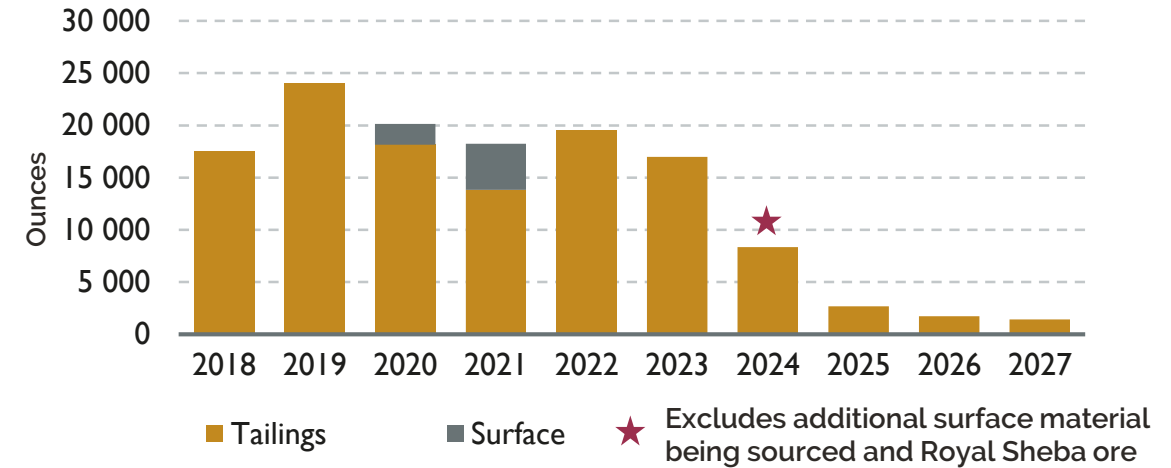
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# PERFORMANCE BY OPERATION

## TAILINGS OPERATIONS – BTRP

- Production increased 9.7% to 10,012oz (H1 FY22: 9,126oz)
- Lowest cost of production in the Group
  - AISC of US\$725/oz (H1 FY22: US\$814/oz), AISC margin of 58%
- LOM ~2 years from current surface resources, to increase with incorporation of expected feed planned from Royal Sheba project
- EBITDA generated: ZAR120.4m (US\$6.9m) (H1 FY22: ZAR100.5m; US\$6.7m)
- Royal Sheba ore to maintain BTRP production run rate – bulk sample extracted and testwork completed – mine design in progress

BTRP LOM production profile\*



\*As per updated Group MRMR report

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# MINTAILS

## PROGRESSING TOWARDS CONSTRUCTION

6 October 2022 - Closure of transaction to acquire total share claims and capital of Mogale Gold and Mintails SA Soweto Cluster TSFs

- Aggregate **cash consideration of ZAR50million (US\$2.8 million)** settled on closing

DFS results announced on Mintails **Mogale Gold TSFs** in June 2022

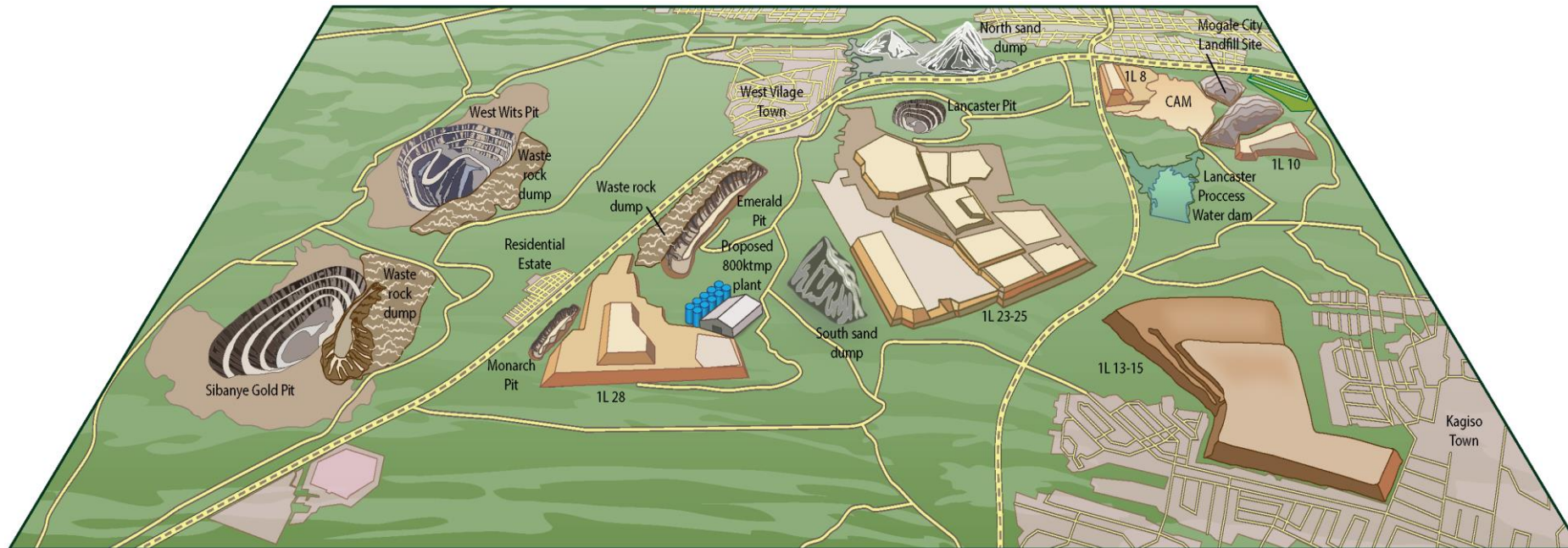
- Expected to add **~50koz/year over a 13-year LOM**, increasing Group production by ~25%
- At US\$1,750/oz: Pre-tax NPV (9.5%) of US\$65million, real ungeared IRR of 20.1%
- At US\$1,906/oz: Pre-tax NPV (9.5%) of US\$88million, real ungeared IRR of 23.0%
- Forecast AISC of ~US\$914/oz over initial 13-year LOM

- Construction capex of US\$161.3million – payback **within 3.5 years** post commissioning

- Targeting production within 18 months from construction commencement

- Concept study progressing on the Mintails SA **Soweto Cluster TSFs**

- Further annual production upside
- Extends **LOM from 13 years to 21 years**



# MINTAILS

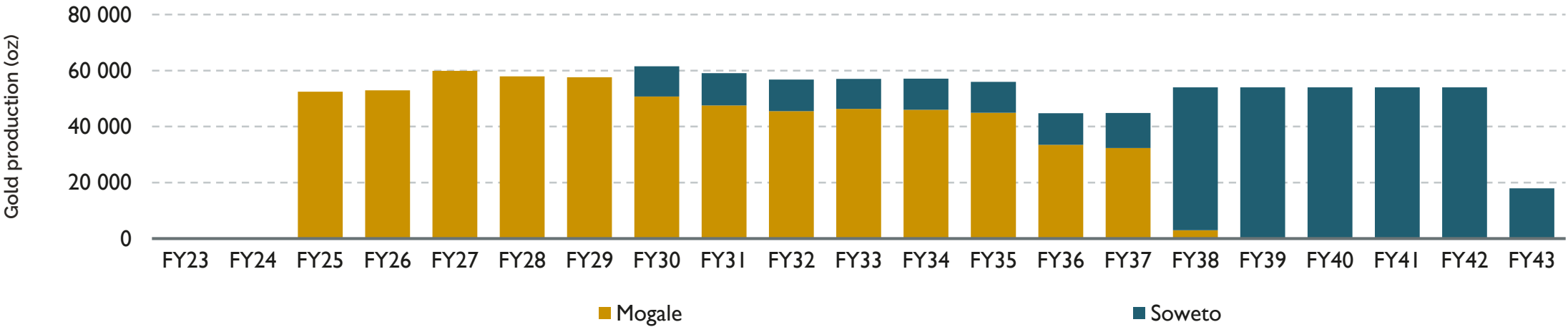
## PROGRESSING TOWARDS CONSTRUCTION

PROPOSED PROJECT EXECUTION TIMELINE

ACTIVITY	ESTIMATED DATE
Completion and finalisation of DFS	Completed
Engineering optimisation activities	Completed
Detailed engineering optimisation	Sept 2022 – Mar 2023
Funding package finalised	April 2023
Environmental approvals	May 2023
Construction commences	June 2023
Commissioning	July 2024 – Dec 2024

Environmental authorisation process and stakeholder engagements in progress

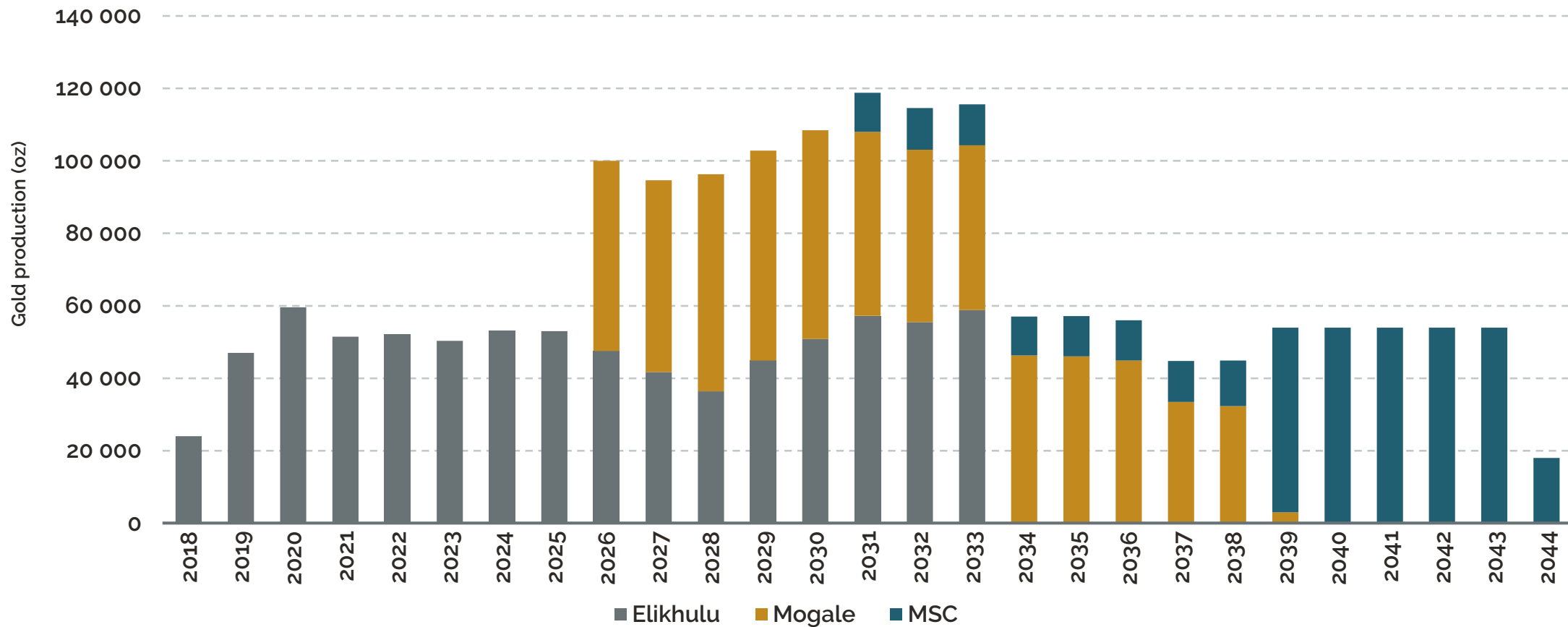
Mogale and Soweto Cluster TSFs – indicative production profile



# SURFACE TAILINGS RETREATMENT

## BUILDING A WORLD CLASS TAILINGS BUSINESS

Elikhulu and Mintails production profile



# PERFORMANCE BY OPERATION

## EVANDER UNDERGROUND

### EVANDER 8 SHAFT PILLAR

- Pillar mining achieved steady state
  - Production of 19,173oz (H1 FY22: 27,312oz) – geotechnical parameters reduced mining rates for safe pillar mining, normalisation of face grades
  - **5% of production impacted** by electricity supply issues
- AISC of US\$1,052/oz (H1 FY22: US\$983/oz)
  - Lowest cost underground gold mine in Southern Africa

### EVANDER 24 – 26 LEVEL PROJECT PROGRESS

Development and infrastructure for mining – **extends 8 Shaft LOM** and maintains annual gold production

- Mining of F raise line stopes commenced at 24 Level

**Existing vent shaft** to be equipped for hoisting from 17-24 Level

- Eliminates conveyor belts, simplifies ore handling – improves Mine Call Factor

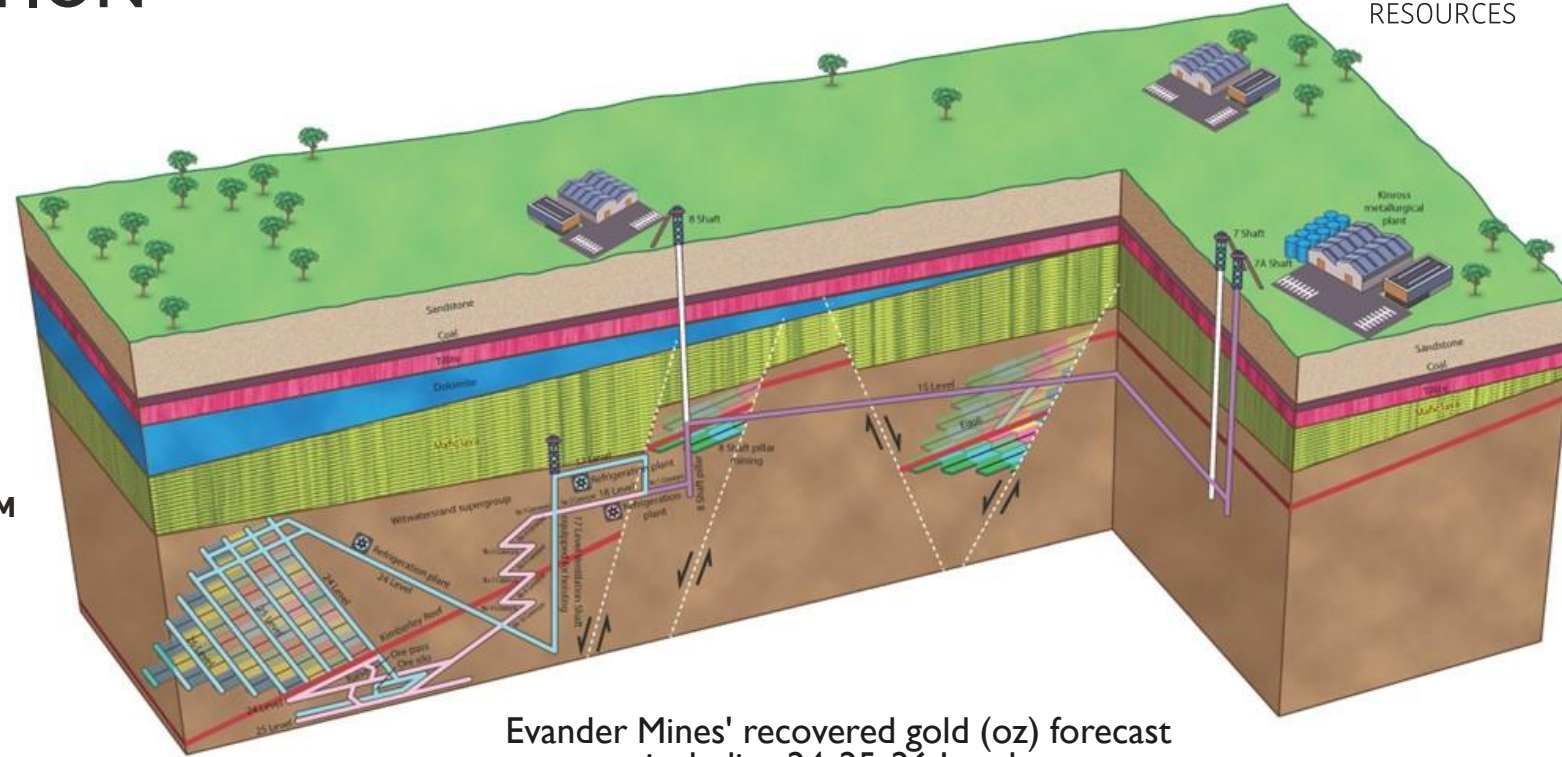
Phase 1 of underground **refrigeration plant** commissioned

Phase 2 to be completed Q4 FY23

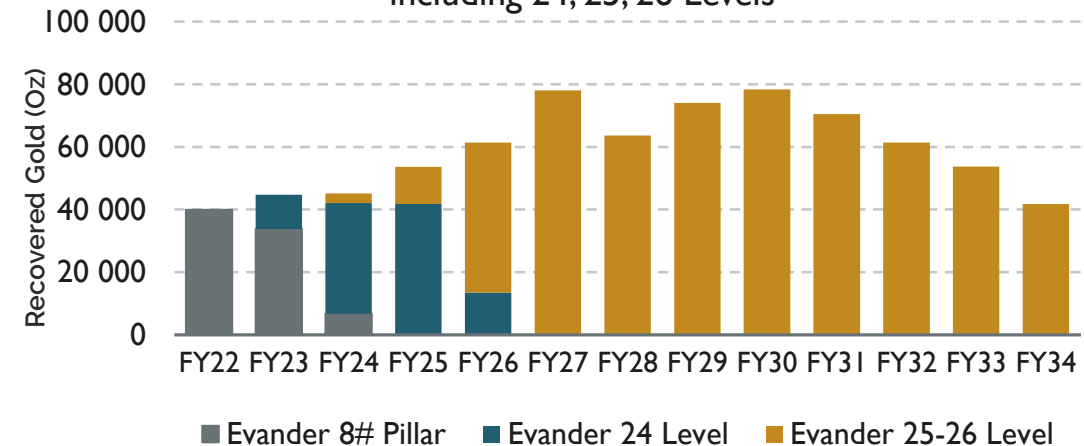
- Enables additional crews on 24 Level and mining of 25 and 26 Levels
- Dewatering on 25 Level commenced in FY22, blasting on development ends to commence in FY23
  - Mining of first stope planned for FY25

### EGOLI PROJECT - phased approach

- **Dewatering** of 3 Decline commenced, pumping 5ML/day
  - Reserve delineation drilling from Q3 FY23 to define the Egoli payshoot parameters for early mining
- LOM ~9 years



Evander Mines' recovered gold (oz) forecast including 24, 25, 26 Levels





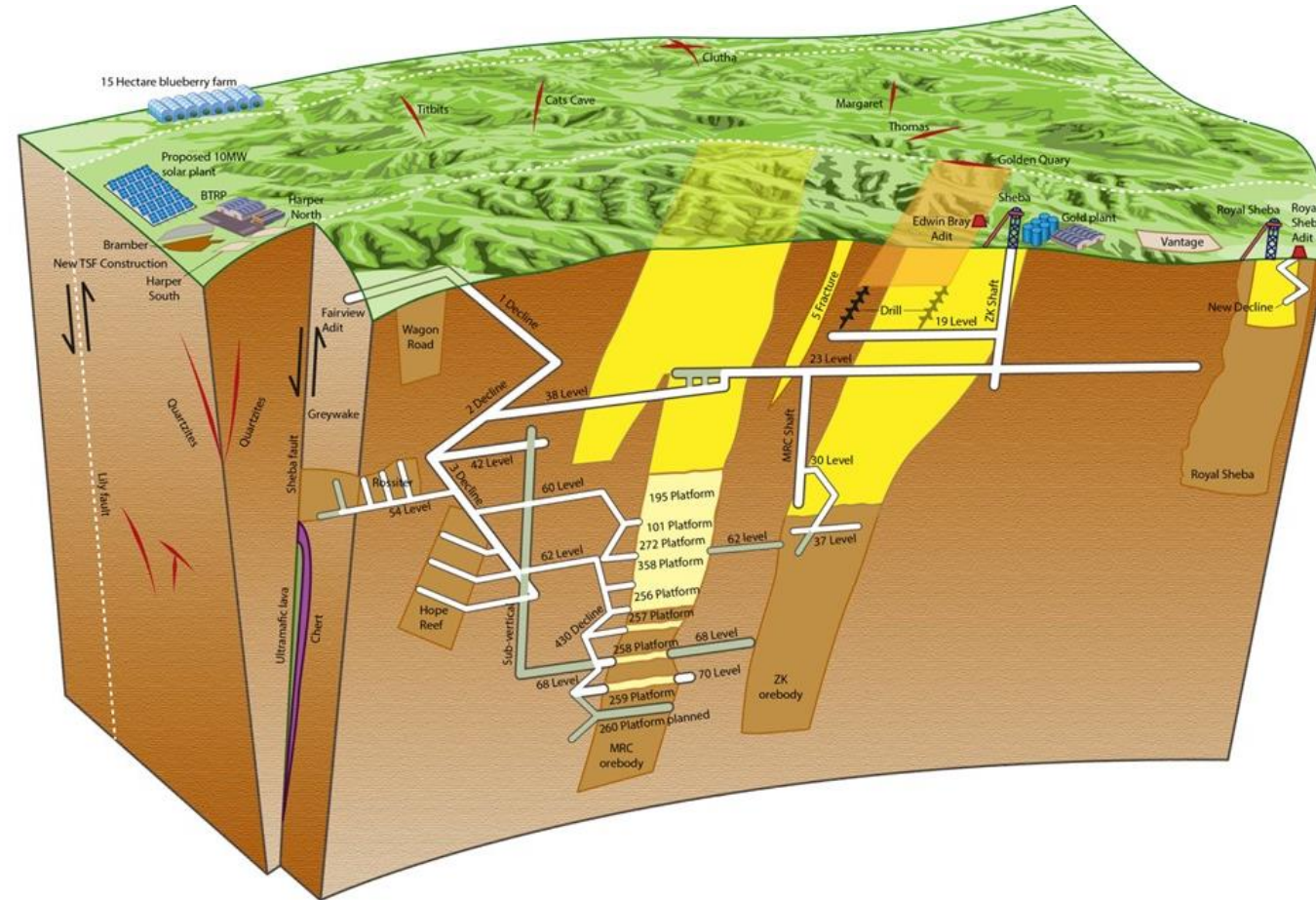
## Improved mining flexibility with multiple platforms

- Six diamond boreholes drilled for stope delineation at down-dip extensions to the 260 platform
  - Average width of mineralised zone of 4.01m at an average grade of 32.04g/t
- Down-dip extent is open at depth - informs the 20-year LOM of this orebody

- Ten boreholes drilled
  - Grades of up to 6g/t over 2,54m stope width, strike extent in excess of 110m
  - Close to current infrastructure associated with mining of the MRC

- 16 Delineation boreholes drilled
- Down-dip extension of 065 structure with potential to add 17,000t of additional mineral reserves with an average grade of 7.97g/t
  - Orebody has a strike length of ~57m

- Improved mine design as grade control modelling protocols are upgraded and refined
- Broader-scale focus on the Hope and MMR reefs
- Results are used in conjunction with more advanced and interconnected mining software packages
  - Further optimise run-of-mine production



# BARBERTON MINES' SMALLER UNDERGROUND OPERATIONS

## SHEBA MINE

Production stable at 9,262oz (H1 FY22: 9,574oz) – **continuous operating** cycle to:

- Optimise development rates to fast-track establishment of MRC mining platforms

### MRC and ZK orebodies development

- Focus on reserve definition drilling and development of ZK orebodies' down-dip extension on 37 and 38 Levels in unmined areas between Sheba and Fairview Mines
- High-grade free-milling **Thomas and Verster orebodies**
- Mining method optimised from long-hole open stoping to **up-dip mining** – limits dilution, improved flexibility

### Southwell Adit (new discovery)

- Eight exploration boreholes indicate average width of mining zone of 5,18m @ 5,7g/t

### Project Dibanisa

Completed in December 2022 - project connecting underground haulages of Fairview and Sheba Mines to optimise efficiencies, infrastructure and plant utilisation

## CONSORT MINE

Decrease in production to 3,622oz (H1 FY2022: 5,675oz)

- Switch to contractor mining to optimise operating model - focus on mining high grade areas and reducing overhead costs
- Currently accessing mining areas on strike off the high-grade **42 Level orebody** - using a hybrid grout mining support

Reserve definition drilling intersected high-grade, free-milling gold mineralisation at **42 Level PC Shaft**

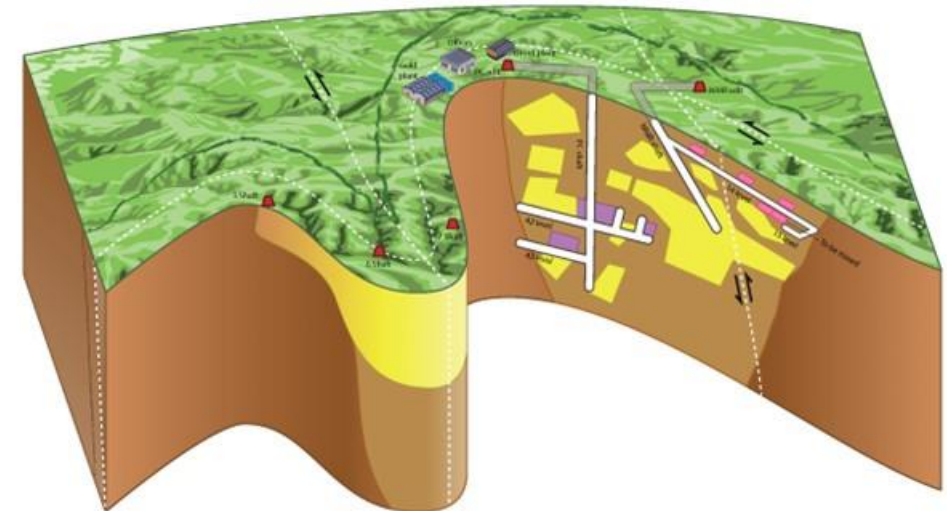
Boreholes successfully intersected high-grade gold carrying structures at the **44 Level, MMR and Consort Bar orebodies**

- Assay results yielded up to 72.8g/t over 0.86 metres at the **44 Level orebody**

### Exploration

Focused on **MMR and PC Shaft orebody** extensions to high grade areas and upgrading geological models

- Focused on **15 Level MMR** and deeper Consort Bar orebodies at 43 to 45 Level
- Additional targets being followed up

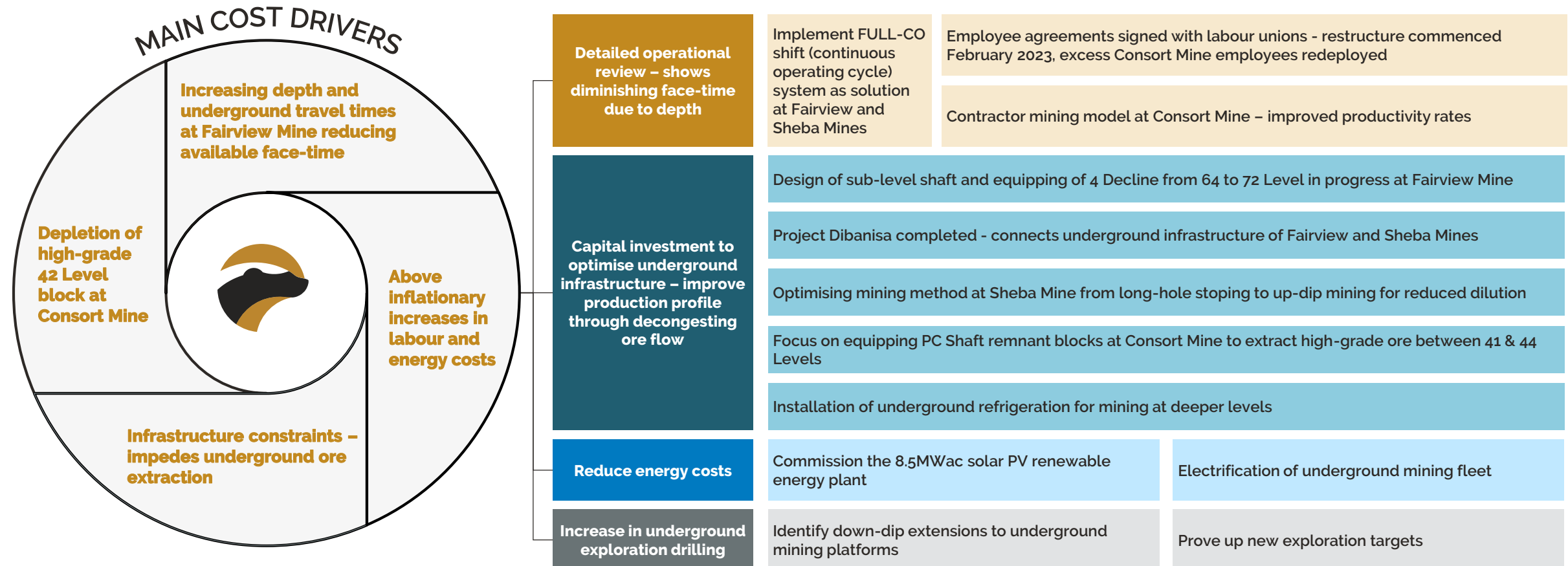




# PERFORMANCE BY OPERATION - BARBERTON MINES

## ADDRESSING THE COST AND PRODUCTION DRIVERS OF MATURE HIGH GRADE OPERATIONS

Mining at Barberton Mines involves a legacy of over 130 years of continuous mining, and was not designed for efficient extraction of this world class orebody as mining depths continue to increase. Infrastructure and development was put in place when required as mining progressed, leading to congested ore flow. Improvements are being implemented to alleviate these challenges.



## GROUP AISC



Solar PV plant at Evander Gold Mine

# GROUP AISC

FY2023 – TARGETING AISC OF ~ US\$1,250/oz\*

## Lower cost operations

	Evander Mines Underground	Evander surface sources	BTRP	Elikhulu	Barberton Mines' Fairview	Total lower cost operations	% Group production
AISC per kg (ZAR/kg)	586,038	868,489	403,965	527,585	888,442	631,099	85%
AISC per oz (US\$/oz)	1,052	1,559	725	947	1,595	1,139	

## Higher cost operations – to be addressed with Barberton Mines' restructure

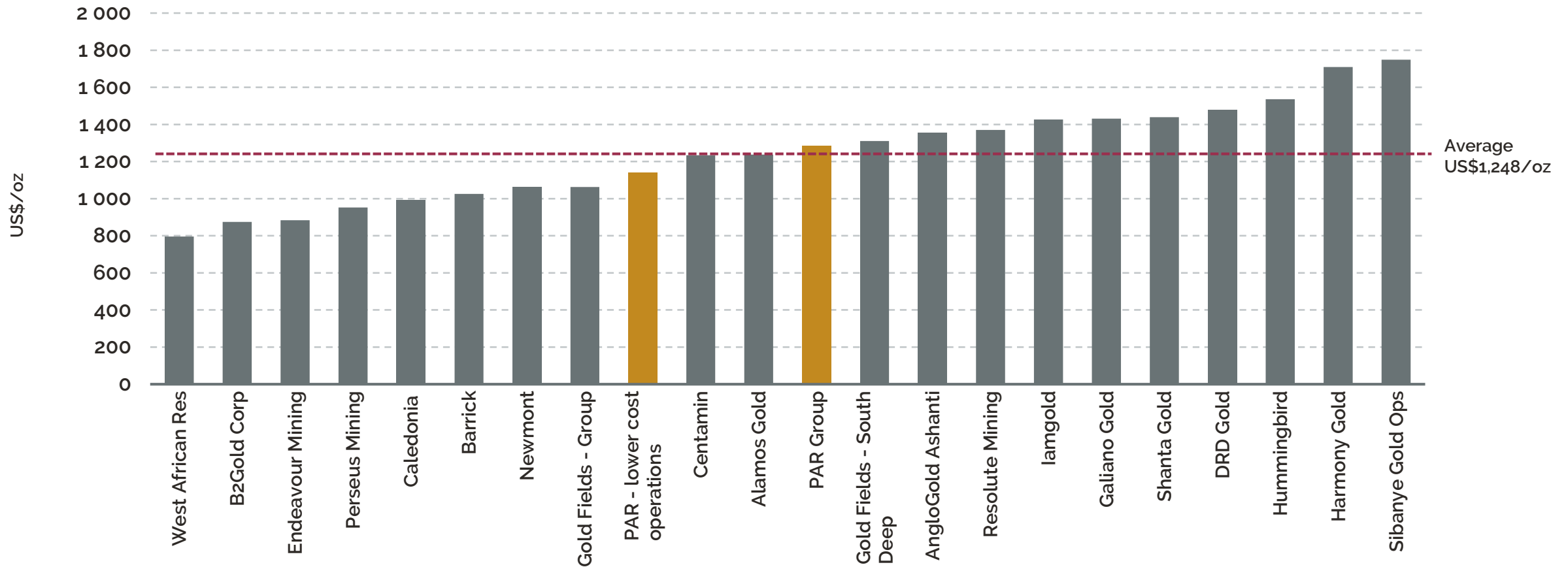
	Barberton – Sheba and Consort Mines	Total higher cost operations	% Group production
AISC per kg (ZAR/kg)	1,235,025	1,235,025	15%
AISC per oz (US\$/oz)	2,217	2,217	

\*Assuming an exchange rate of US\$/ZAR:17:00

# GROUP AISC

FY 2023 – AISC OUTLOOK

AISC (US\$/oz)



Source: Individual company websites and presentations

OTCQX: **PAFRF/PAFRY** | AIM: **PAF** | JSE: **PAN**



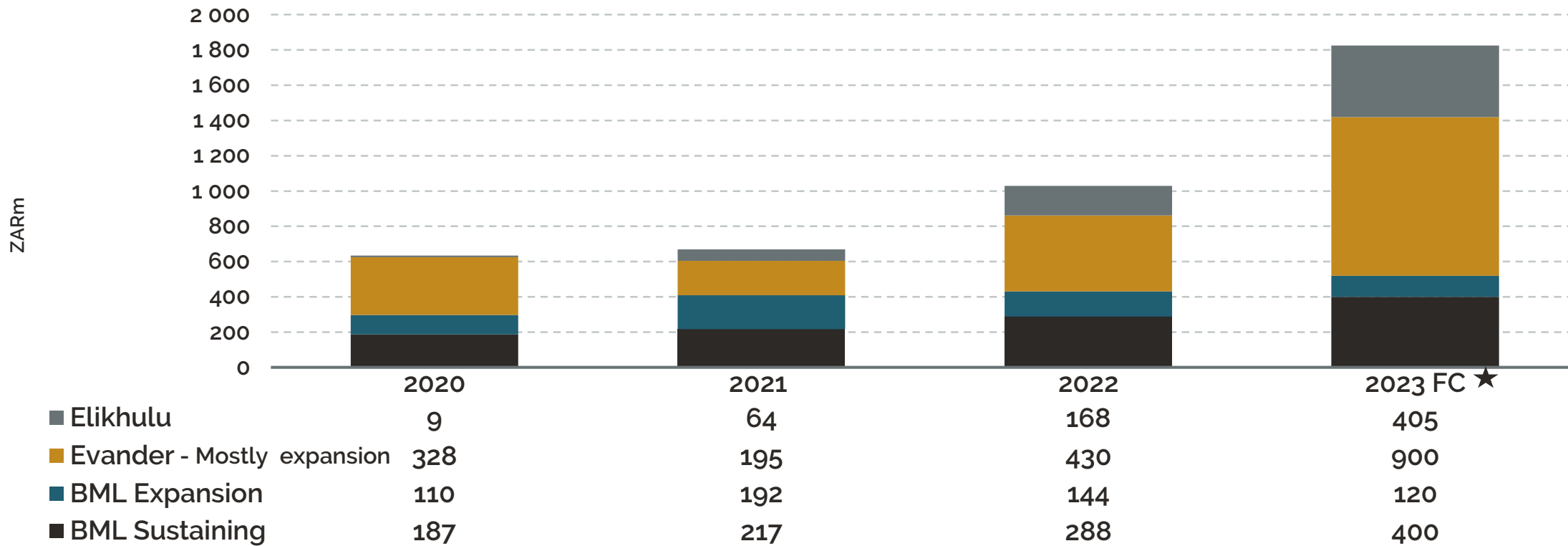
## CAPITAL PROJECTS (ZAR)



Phase 1 of underground refrigeration plant at Evander 24 Level

# CAPITAL PROJECTS (ZAR)

RE-INVESTMENT INTO LONG-LIFE ASSETS AND GROWTH PROJECTS TO GENERATE ATTRACTIVE RETURNS



★ Includes Barberton Mines' Dibanisa project, 4 Decline and ventilation raise borehole; Evander 8# underground refrigeration plant, expansion capital for 24, 25 and 26 Level project, equipping costs for vent shaft for hoisting, equipping costs for Evander 7# infrastructure, including steel work and development costs for Egoli project; Elikhulu TSF footprint extension and Leslie/Bracken pump station

## ESG : OUR “BEYOND COMPLIANCE” APPROACH





# ESG

## OUR “BEYOND COMPLIANCE” APPROACH

### ENVIRONMENT

#### WATER RECYCLING

##### Responsible and sustainable water use programmes

- Efficiencies through reuse and recycling
- 3ML/day water retreatment plant for Evander Mines nearing completion
  - Reduced municipal water use, cost savings of over US\$5.6m over a 10-year period
- To be commissioned in February 2023

#### RENEWABLE ENERGY PROJECTS

#### BIODIVERSITY & CONSERVATION

##### To preserve biodiversity and resources

- Promote coexistence of conservation and mining
- Funding the care of orphaned rhinos
- Rehabilitation of historic mine workings



### SOCIAL

#### LEAVING A LEGACY

##### Socio-economic development

- Implementation of projects in host communities – integral to our social licence to operate
- Completed two schools in Barberton – benefits over 1,500 learners
- New Evander SLP projects submitted to DMRE – approved projects to commence in 2023

##### Beyond compliance education initiatives

- Barberton Mines sponsors annual pre-tertiary development programme for high-achievers from disadvantaged backgrounds



### SOCIAL

#### SUSTAINABLE COMMUNITIES

##### Barberton Blueberries project

- Local employment creation
- Barberton Mines provides resources – 15ha initial phase, 30ha extension available
- ‘Beyond compliance’ long-term initiative for local community self-sustainability

#### SKILLS DEVELOPMENT & CSI

##### Communities benefit by skills development required for PAR operations

- Includes bursaries, learnerships and training
- Local supplier development
- CSI – NGOs in host communities – social support and sustainable initiatives



### GOVERNANCE AND COMPLIANCE

#### FULLY COMPLIANT WITH GRI REPORTING

##### Independent audits completed in FY22:

- Carbon tax emissions
- Mineral tenure compliance
- Social and Labour Plan implementation
- Water use licences
- Environmental management system compliance

##### Closure liabilities fully funded

##### Ongoing rehabilitation programmes

##### All PAR tailings storage facilities accredited and fully compliant with latest GISTM standards



## H1 FY 2023 FINANCIALS

Income impacted by decline in production

# H1 FY2023 FINANCIALS

## SUMMARISED CONSOLIDATED FINANCIAL RESULTS

Salient features	Units	Six months ended 31 Dec 2022	Six months ended 31 Dec 2021	Movement %
Gold produced	oz	92,307	108,085	(14.6)
Gold sold <sup>1</sup>	oz	90,439	107,142	(15.6)
Revenue	US\$ million	156.5	193.6	(19.2)
Average gold price received	US\$/oz	1,725	1,804	(4.4)
	ZAR/kg	960,947	872,175	10.2
Adjusted EBITDA <sup>2,APM</sup>	US\$ million	53.3	76.3	(30.1)
Profit before taxation	US\$ million	39.0	61.6	(36.7)
Attributable earnings	US\$ million	29.1	46.1	(36.9)
Headline earnings	US\$ million	29.1	46.1	(36.9)
EPS	US cents	1.52	2.39	(36.4)
HEPS <sup>APM</sup>	US cents	1.52	2.39	(36.4)
Net debt <sup>APM</sup>	US\$ million	53.7	28.2	90.4

Note 1: Gold sold in the current financial period

Note 2: Adjusted EBITDA comprises earnings before interest, tax, depreciation and amortization and impairment loss

Refer to the alternative performance measures (APM) summary report for the reconciliation of cost of production as calculated in accordance with International Financial Reporting Standards (IFRS) to AISC and all-in costs.



# H1 FY2023 FINANCIALS

## SUMMARISED CASH FLOW STATEMENT

US\$ thousand

**Six months ended  
31 Dec 2022**
**Net cash from operating activities before dividend, tax, royalties, net finance costs**
**38,597**

Taxes paid

(5 272)

Net finance costs

(1 773)

Net dividend paid

(19 975)

**Net cash generated from operating activities**
**11 577**

Net cash used in investing activities

(51 463)

Net cash used in financing activities

48 478

**Net increase in cash equivalents**
**8 592**

Cash and cash equivalents at the beginning of period

26 993

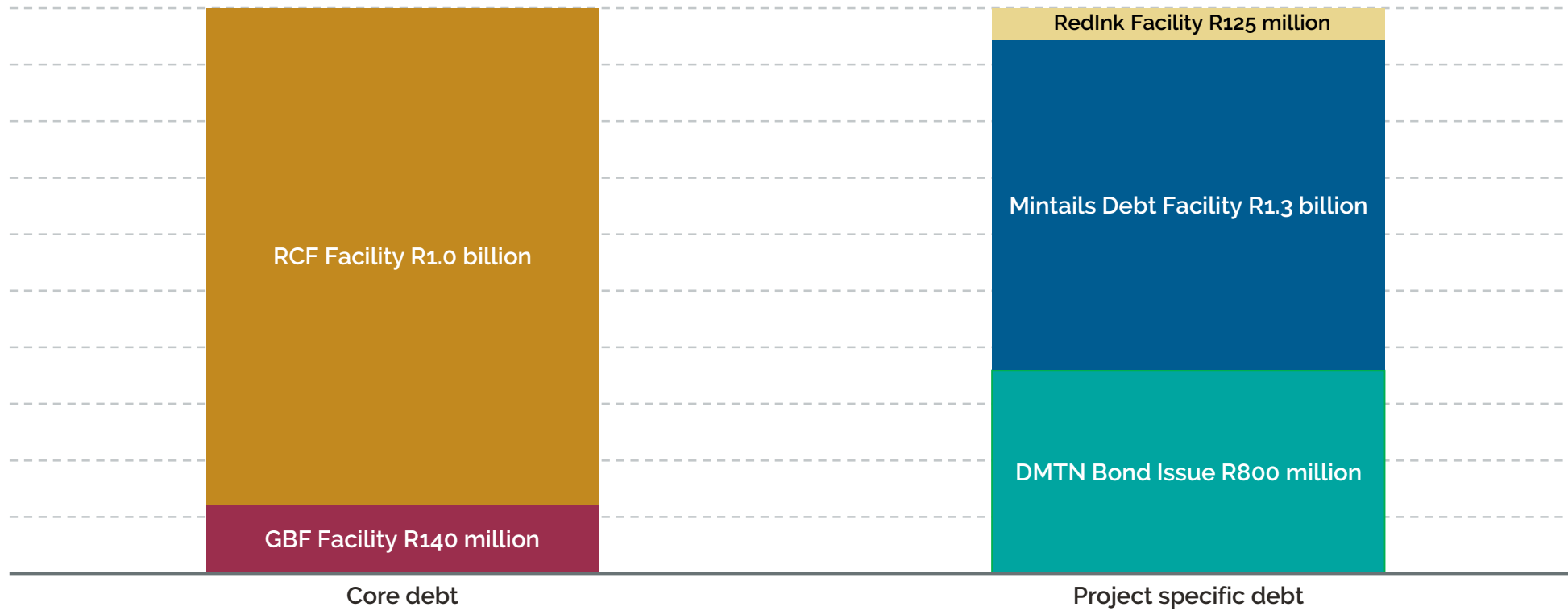
Effect of foreign exchange rate changes

(1 648)

**Cash and cash equivalents at the end of period**
**33 937**

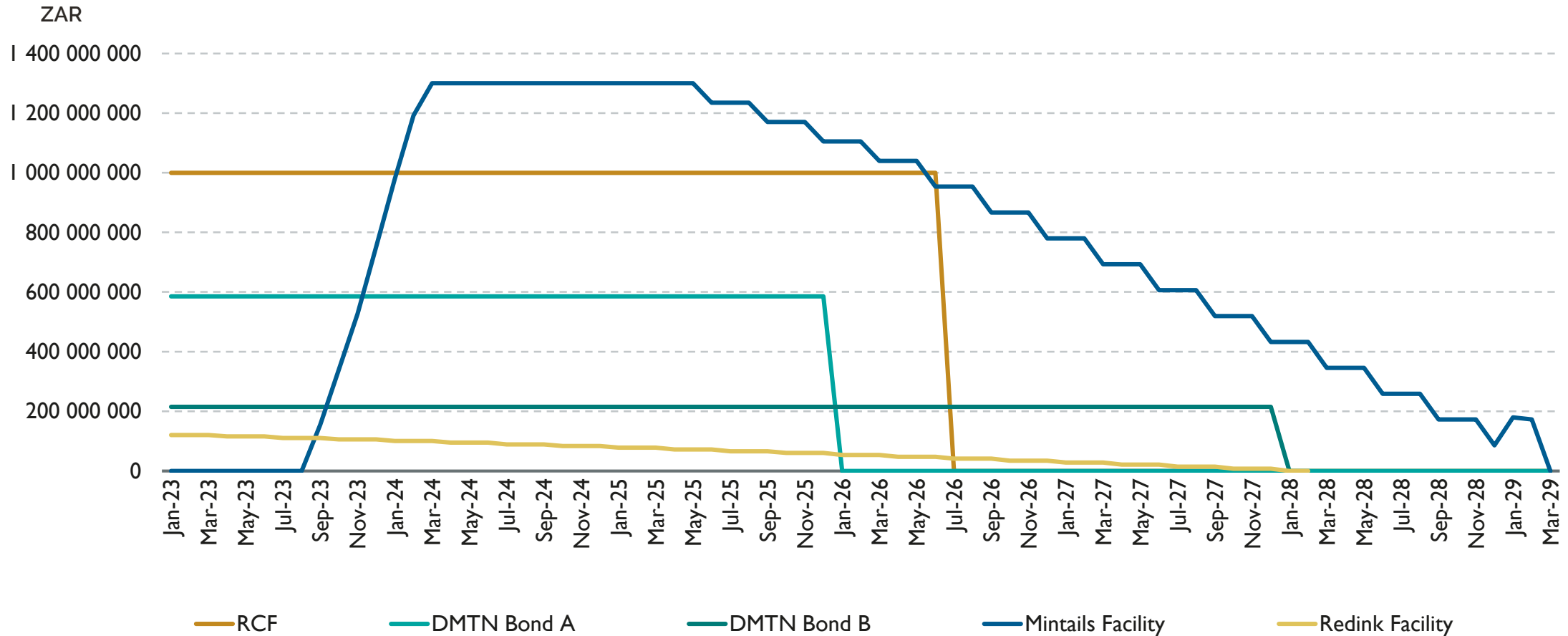
# H1 FY2023 FINANCIALS

## DEBT COMPOSITION



# H1 FY2023 FINANCIALS

## DEBT REDEMPTION PROFILE (ZAR)



## NEAR TERM ORGANIC GROWTH – ROYAL SHEBA





# NEAR TERM ORGANIC GROWTH

## ROYAL SHEBA

### Progress

Extraction of 10,000t bulk sample to further define grades and recoveries completed during H1 FY23:

- Main decline and cross-cut developed into existing Royal Sheba adit - **access to orebody by trackless decline** located 26m below surface between 6 and 7 Level
- Metallurgical testwork conducted at both Sheba and Consort plants
  - Bulk sample's actual grade of 1.22g/t relative to planned grade of 0.5g/t with recoveries of 84%
- Design of bulk sample will enable continuation of mining towards the down-dip and strike extents of the orebody

23 Level haulage from Sheba Mine **ZK Shaft** is **~180m from expected Royal Sheba mineralisation**

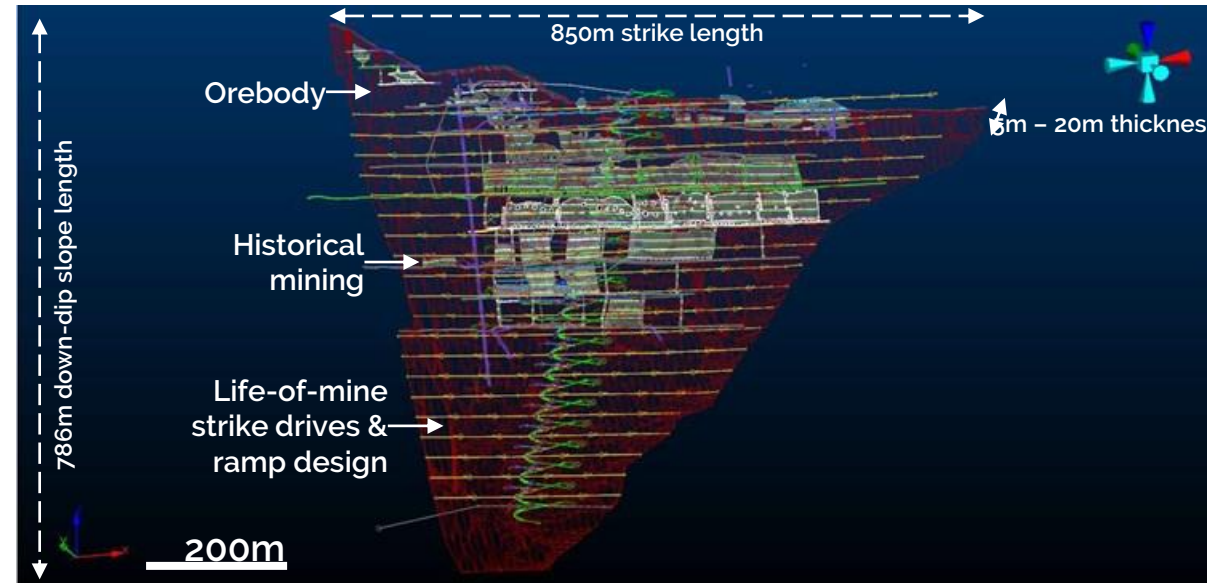
Scheduling of Royal Sheba ore through the BTRP plant indicates an 18 year LOM at a steady state production rate of 25koz per year

- Option to increase production to 40ktpm of run-of-mine at an average head grade of 3g/t over the LOM
  - By implementing long-hole open stoping mining methods from a decline system
  - Use of trackless mining machinery and automation requires minimal labour

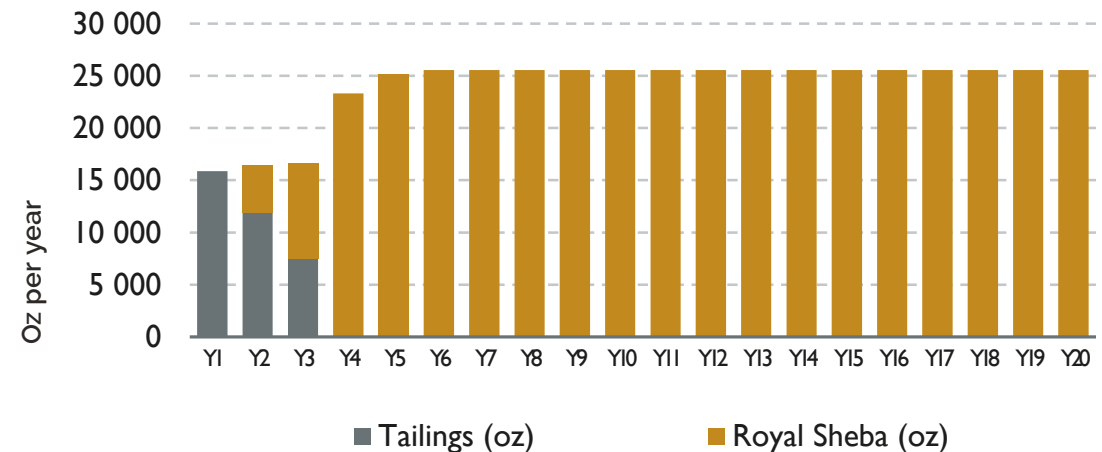
The Royal Sheba orebody is open at depth

Royal Sheba Mineral Resources*	Tonnes Mt	Grade g/t	Gold Koz
Measured	5.0	2.30	372.0
Indicated	6.1	2.25	438.5
Inferred	6.1	1.37	267.1
<b>TOTAL</b>	<b>17.2</b>	<b>1.95</b>	<b>1,077.7</b>

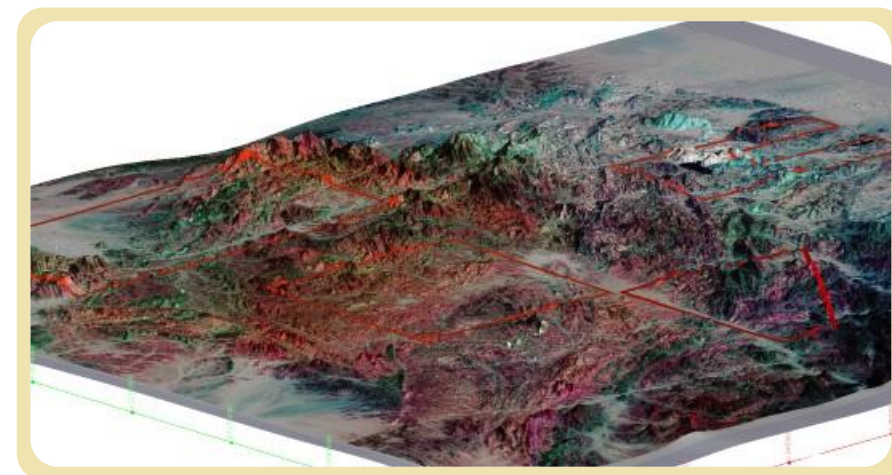
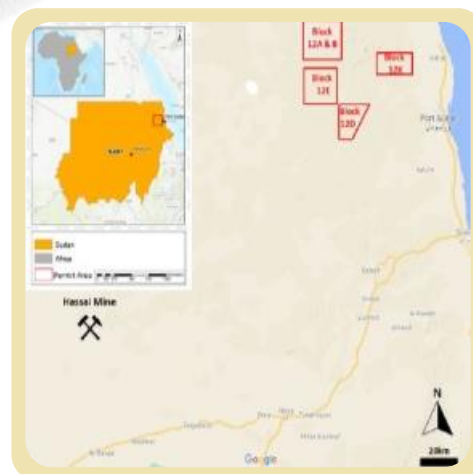
\*As per the Group MRMR report



BTRP Plant estimated gold production



## EXPLORATION – REPUBLIC OF THE SUDAN



Target generation through remote sensing



# EXPLORATION

## REPUBLIC OF THE SUDAN



### WHY SUDAN

- 3rd largest gold producer in Africa (after Ghana and SA) and 10th in the world (2021)
  - Production of ~90 tonnes of gold in 2021
- Diversification opportunity for the Group
- Early mover advantage
  - US\$155m acquisition of Orca Gold by Perseus Mining
- History of artisanal mining and toll treatment
- Sparsely populated area – limited relocation of communities



### PROSPECTIVITY

- Exploration rights to five highly prospective areas over 1,100km<sup>2</sup>, valid for 3 years from March 2022, option to renew for 2 years
- Licence areas in Nakasib Suture Zone, Arabian-Nubian Shield – +5,000year history of gold mining
  - Host to Hassai Mine – Sudan's largest gold mine
- Mineralization includes alluvial/placer gold, orogenic gold and VMS type – targets amenable to open cast - shallow underground mining
- Initial PAR grab samples averaged 13.6g/t, highest grade in quartz veins sampled at 145g/t



### PROGRESS IN FY2023

- Exploration camp constructed ~100km from laboratory
  - Located in highly prospective Block 12A South
  - Mobile, tented camp fully powered by renewable solar PV electricity
- Prioritised targets based on analyses of remote sensing and extensive available geochemistry data
- Soil geochemistry and hard rock chip sampling to further define targets in SE corner of Block 12A South
  - Average grade of 1.7g/t from soil, quartz veins, and rock debris samples - with some samples in excess of 6g/t
  - Sataib South target yielded an average of 1g/t from surface samples, with maximum grade of 9.4g/t sampled



### SAMPLE TESTING LABORATORY

- Commissioned first fire assay multi-element analytical laboratory in Sudan – to expedite multi-commodity analyses with capacity of +8,000 samples/month





## FY2023 – FOCUSED ON DELIVERY



# KEY DELIVERABLES

## FY2023 – FOCUSED ON DELIVERY

Proactive journey to 'zero harm' through innovative health and safety initiatives

Ensure successful execution of restructuring and other initiatives to increase production run rate

Successfully execute into capital projects to sustain and increase future gold production

Mitigate inflationary pressures through optimisation and other initiatives

Commence with Mintails project construction

Advance the Sudanese exploration venture

Continued ESG focus through programmes to support sustainable host communities, increased use of renewable energy and recycling initiatives

Maintain focus on sustainable shareholder returns

## OUR STRATEGIC PILLARS

Through our strategic pillars we manage and address risks and opportunities, material matters faced by Pan African over the short-, medium- and long-term, key stakeholder concerns and execute on value-creating growth projects to achieve our strategy



**Profitability**



**Sustainability**



**Stakeholders**



**Growth**

## THANK YOU

Contact: Hethen Hira, Head of investor relations

Email: [Hhira@paf.co.za](mailto:Hhira@paf.co.za)

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



## APPENDIX



# SHARE PRICE AND MARKET CAPITALISATION

## As at 08 February, 2023

JSE (PAN)	ZAR350cps
AIM (PAF)	GBP16.2p
ADR (PAFRY) 20:1	US\$4.03
OTC (PAFRF)	US\$0.22
Market capitalisation	US\$440m
Shares issued	2,223m
Treasury shares	306m
Shares trading in market	1,917m

## As at 31 December 2022

Adjusted EBITDA	US\$53.3m
Net debt	US\$53.7m

## Major institutional shareholders

Allan Gray IM (SA)	18%
M&G Investments (SA)	6%
PIC (SA)	5%
Premier Miton (UK)	4%
Ninety One (SA)	4%

## CORPORATE INFORMATION

### CORPORATE OFFICE

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2nd Floor, Office 204  
Corner Cradock and Biermann Avenues  
Rosebank, Johannesburg  
South Africa  
Office: +27 (0) 11 243 2900

### REGISTERED OFFICE

107 Cheapside  
London EC2V 6DN  
United Kingdom  
Office: +44 (0) 207 796 8644

### CHIEF EXECUTIVE OFFICER

**Cobus Loots**  
Office: +27 (0) 11 243 2900

### FINANCIAL DIRECTOR

**Deon Louw**  
Office: +27 (0) 11 243 2900

### HEAD INVESTOR RELATIONS

**Hethen Hira**  
Office: +27 (0) 11 243 2900

### COMPANY SECRETARY

Jane Kirton  
St James's Corporate Services Limited  
Office: +44 (0) 207 796 8644

### JSE SPONSOR

Ciska Kloppers  
**Questco Corporate Advisory Pty Limited**  
Office: +27 (0) 11 011 9200

### JOINT BROKERS

Ross Allister/David Mckeown  
**Peel Hunt LLP**  
Office: +44 (0) 207 418 8900

Thomas Rider/Nick Macann  
**BMO Capital Markets Limited**  
Office: +44 (0) 207 236 1010

Matthew Armitt/Jennifer Lee  
**Joh. Berenberg, Gossler & Co (Berenberg)**  
Office: +44 (0) 203 207 7800

# OVERVIEW OF OUR OPERATIONS – KEY FEATURES

**GOLD PRODUCTION OF 92,307OZ (H1 FY22: 108,085OZ)**

## ELIKHULU

- US\$120m tailings retreatment plant commissioned in 2018 - one of the lowest AISC operations in Southern Africa
- Processing in excess of 1.2Mtpm of historic tailings – new pump station installed for Leslie/Bracken
- AISC of US\$947/oz (H1 FY22: US\$937/oz), AISC margin of 45%
- Technologically advanced and automated plant, safe with low labour requirement
- Capital paid back in <3 years
- LOM ~11 years



## BTRP

- Capacity of 100,000 tpm – commenced production in 2013
- Production up 9.7% to 10,012oz (H1 FY22: 9,126oz)
- AISC reduced to US\$725/oz (H1 FY22: US\$814/oz), AISC margin of 58%
- Production run-rate to be sustained from Royal Sheba project
  - Metallurgical testwork on bulk sample complete - proves grade and recovery rates
  - Mine development plan in progress
- LOM 2 years (excluding Royal Sheba)



## BARBERTON Underground

- Mining history of over 130 years, high grade orebodies
- Increasing depth of workings impact costs – improvement initiatives incl:
  - Full-Co (continuous operations) cycle agreement to increase employee face time
  - Infrastructure improvements to improve ore-flow
- Ongoing u/g exploration focus
  - Stope delineation drilling confirms strike extent and widths of mineralised zones
- Current LOM ~20 years



## EVANDER Underground

- Benefit of historic sunk capital with existing infrastructure and extensive u/g development
- Upgrades in progress to enable mining at 25 and 26 Levels – Phase 1 of new fridge plant complete and equipping of vent shaft in progress
- Production steady at 8 Shaft Pillar at 19,173oz as per the mining plan
- AISC at ~US\$1,052/oz (H1 FY21: US\$983/oz) - one of the lowest cost u/g operations in Southern Africa
- LOM increased to ~14 years with production from 24, 25 and 26 Levels
- Egoli Project upside ~9 years





# NEAR TERM ORGANIC GROWTH

## EVANDER MINES' 8 SHAFT – 25 & 26 LEVEL EXTENSION

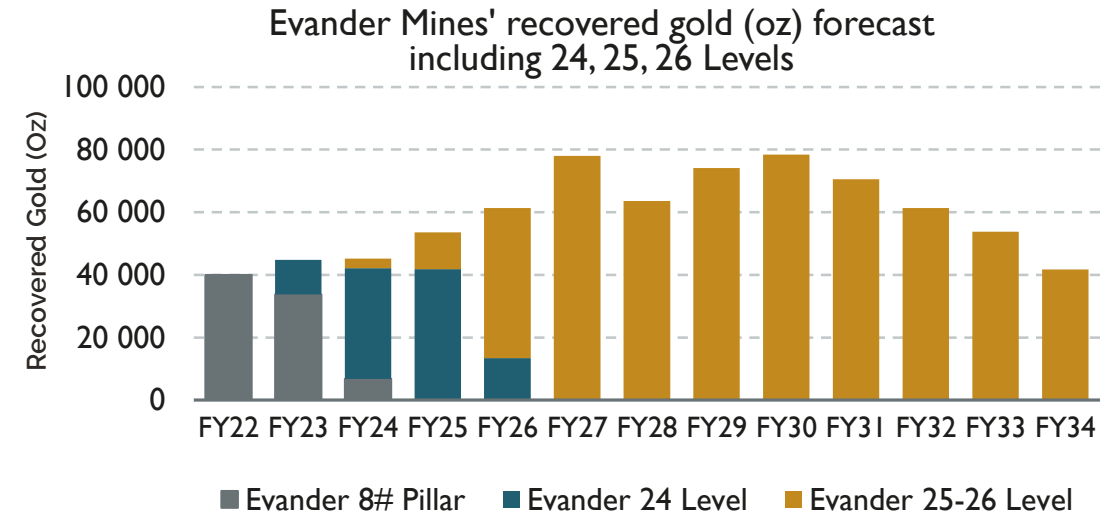
### Key economic and financial metrics – Internal study

Key metric	Input ZAR	Input US\$
Gold price assumption*	ZAR882,060/kg	<b>US\$1,770/oz</b>
Discount rate** (RAT)*	10.71%	<b>10,71%</b>
Recovered grade	6.73 g/ton	<b>6.73 g/ton</b>
Peak funding	ZAR807 million	<b>US\$52.1 million</b>
Payback period***	5 years	<b>5 years</b>
AISC	ZAR601,054/kg	<b>US\$1,206/oz</b>
Gold produced	18,257 kg	<b>586,984 oz</b>
NPV10,71%	ZAR1,239.1 million	<b>US\$79.9 million</b>
RATIRR*	45%	<b>45%</b>

\*RAT - Real After Tax | \*RATIRR - Real After Tax Internal Rate of Return | \*Exchange rate - ZAR/US\$:15,50 | \*\*The discount rate used is the WACC rate for Evander u/g as calculated annually by an independent valuation team

\*\*\*From commencement of project development

OTCQX: **PAFRF/PAFRY** | AIM: **PAF** | JSE: **PAN**



# NEAR TERM ORGANIC GROWTH

## EVANDER MINES' 8 SHAFT – 25 & 26 LEVEL EXTENSION – WHY MINING IS DIFFERENT NOW

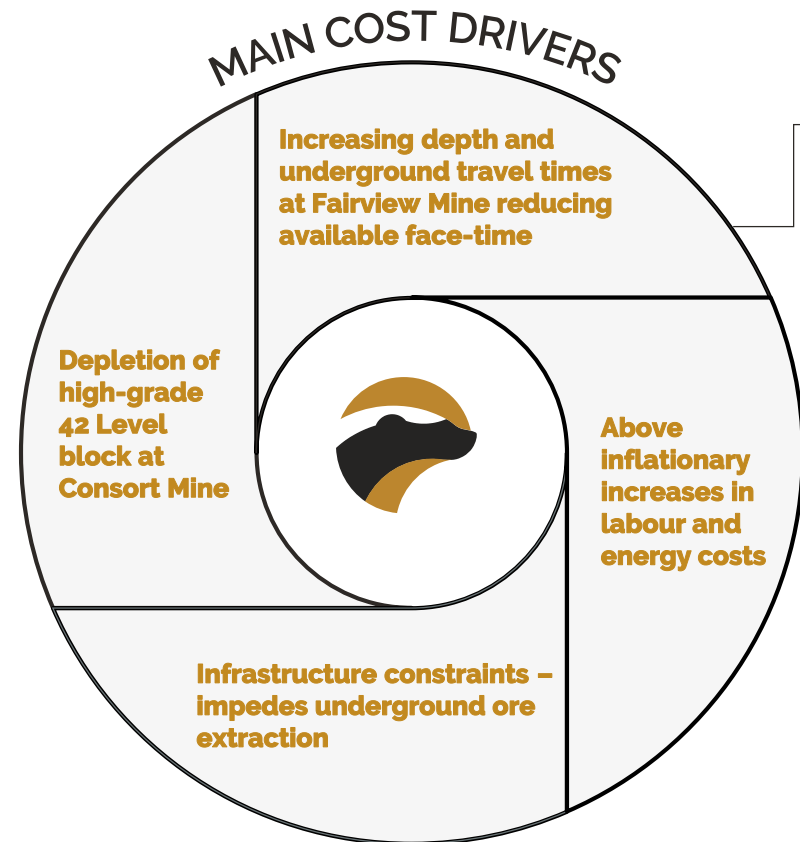
Factors	During 2018	Mitigation measures for current project
Low efficiencies/high temperatures	High temperatures - inadequate refrigeration capacity	<b>Install new refrigeration plant and infrastructure</b>
Ore and waste separation	Waste was previously hoisted to surface	<b>Underground waste handling and storage facilities to be installed at 25 and 26 Levels Ore and waste separation successfully implemented on 24 Level currently</b>
Face time	Limited face time due to excessive underground travelling distances	<b>Installation of a man carriage on 24 Level – in operation</b>
Labour intensive ore handling infrastructure	Production required three shifts to operate on a continuous basis	<b>Reduced tonnage profile needs only one shift to be manned for production targets 17 Level ventilation shaft is being equipped for hoisting</b>
Ore capacity storage in front of belts	No storage capacity for ore in front of the belt system	<b>Two main ore-passes to be developed between 24 and 25 Levels - ensures blasting can continue during breakdowns and belt maintenance</b>
Multiple level belting	Challenges on the belt storage capacity, multiple belt installations	<b>Equipping of the ventilation shaft from 17 to 24 Levels for hoisting - eliminates use of belts from 18 to 24 Levels</b>
Support logistics	Timber support caused logistical challenges on the shaft availability	<b>Grout plant and cement/tailing support system will be applied – successfully used at 8 Shaft pillar</b>
Mining Layout	Footwall development	<b>On-reef mining layout cuts out excessive waste development</b>

# PERFORMANCE BY OPERATION - BARBERTON MINES

## ADDRESSING THE COST AND PRODUCTION DRIVERS OF MATURE HIGH GRADE OPERATIONS

Mining at Barberton Mines involves a legacy of over 130 years of continuous mining, and was not designed for efficient extraction of this world class orebody as mining depths continue to increase. Infrastructure and development was put in place when required as mining progressed, leading to congested ore flow. Improvements are being implemented to alleviate these challenges.

### Rationale for continuous operating cycle at Fairview and Sheba Mines



Detailed operational review – shows diminishing face-time due to depth

Work flow studies on current shift cycle indicated actual daily face-time of less than 3 hours

New continuous operating cycle expected to result in an increase of approximately 20% in available face-time

Amended shift-cycle will reduce overtime requirements currently in place

Transfer of employees from Consort to Fairview and Sheba

Result of extended travelling time to current production platforms

Impact on timeous completion of a full mining cycle – metallurgical plants not optimally filled

Reduced development rates, resulting in poor mining flexibility going forward


Progressive commensurate increase in productivity

Resultant cost benefits

To supplement existing staff complement to meet the requirements of the new shift cycle

No large staff retrenchments and related costs

# BOARD AND EXECUTIVES



**KEITH SPENCER**  
Chairman  
Appointed:  
8 October 2007

**Experience**  
Technical and operational  
Risk management  
Environmental and sustainability  
Business and strategy  
Leadership



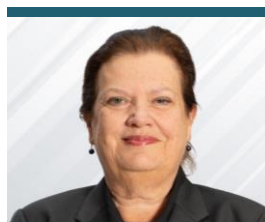
**COBUS LOOTS**  
Chief executive officer  
Appointed:  
26 August 2009

**Experience**  
Technical and operational  
Finance and accounting  
Business and strategy  
Leadership  
Technology  
Taxation



**DEON LOUW**  
Financial director  
Appointed:  
1 March 2015

**Experience**  
Finance and accounting  
Risk management  
Business and strategy  
Leadership  
Technology  
Taxation



**DAWN EARP**  
Non-executive director  
Appointed:  
21 September 2021

**Experience**  
Finance and accounting  
Risk management  
Governance and regulation  
Business and strategy  
Leadership  
Taxation




**THABO MOSOLOLI**  
Non-executive director  
Appointed:  
9 December 2013

**Experience**  
Finance and accounting  
Governance and regulation  
Business and strategy  
Leadership



**CHARLES NEEDHAM**  
Non-executive director  
Appointed:  
17 July 2019

**Experience**  
Technical and operational  
Risk management  
Governance and regulation  
Environmental and sustainability  
Business and strategy  
Leadership



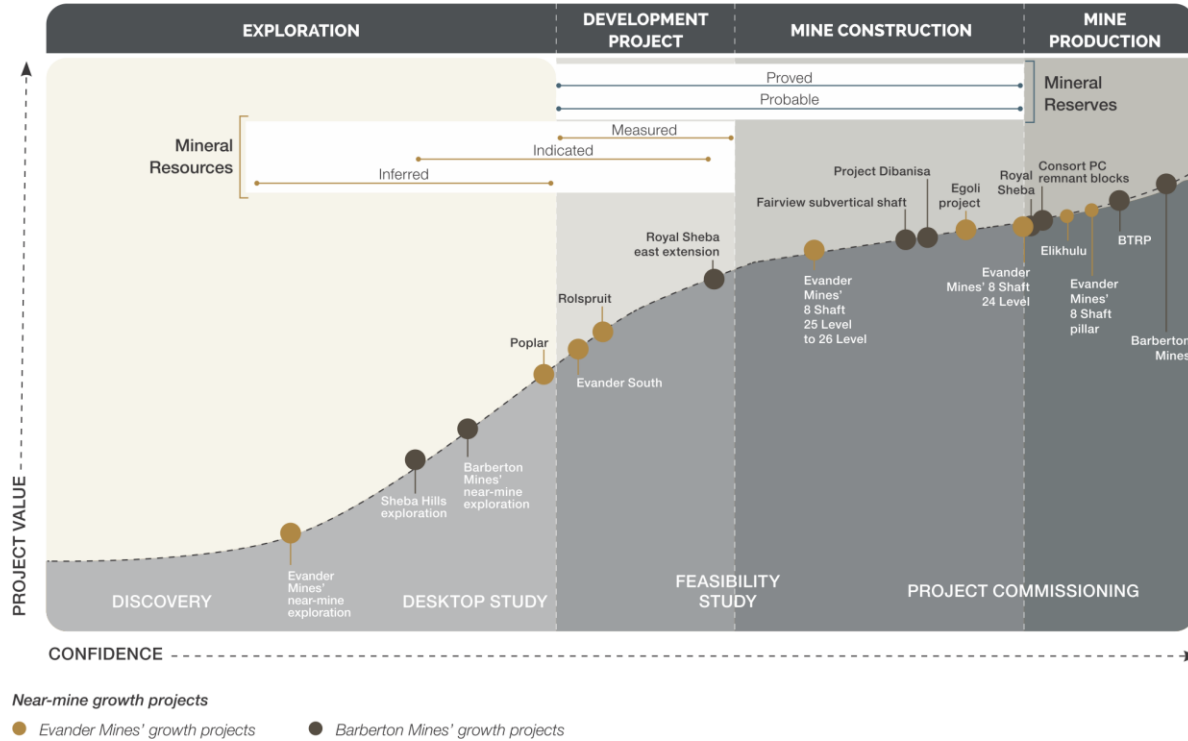
**YVONNE THEMBA**  
Non-executive director  
Appointed:  
17 July 2019

**Experience**  
Technical and operational  
Risk management  
Governance and regulation  
Environmental and sustainability  
Business and strategy  
Leadership



# RESERVES AND RESOURCES

## GROWTH PORTFOLIO – ROBUST PROJECT PIPELINE



<b>Gold Mineral Resources*</b>	<b>Tonnes Mt</b>	<b>Grade g/t</b>	<b>Gold t</b>	<b>Gold Moz</b>
Barberton hard rock	24.5	4.3	105.9	3.4
BTRP	22.2	1.2	26.4	0.9
Evander underground	113.9	9.0	1 022.8	32.9
Elikhulu	167.3	0.3	47.2	1.5
<b>TOTAL</b>	<b>327.9</b>	<b>3.7</b>	<b>1 202.2</b>	<b>38.7</b>

<b>Gold Mineral Reserves*</b>	<b>Tonnes Mt</b>	<b>Grade g/t</b>	<b>Gold t</b>	<b>Gold Moz</b>
Barberton hard rock	14.2	3.5	49.9	1.6
BTRP	6.1	1.6	9.6	0.3
Evander underground	30.1	8.2	247.6	8.0
Elikhulu	159.3	0.3	44.8	1.4
<b>TOTAL</b>	<b>209.7</b>	<b>1.7</b>	<b>352.0</b>	<b>11.3</b>

\*Refer to PAR FY2022 MRMR Report for disclosures