

**For immediate release**

**3 January 2017**

**Premier African Minerals Limited**  
**(“Premier” or the “Company”)**  
**Conversion of loan note and issue of equity**

Premier African Minerals Limited, the AIM-traded, multi-commodity mining and resource development company focused on Southern and Western Africa, announces that it has received a notice of exercise by Darwin Capital Limited (“Darwin”) to convert 19 loan notes with an aggregate value of £475,000 into equity (“Conversion Notice”).

The loan notes converted represent all but 3 of the loan notes issued in December 2016 and have been used to part fund the current upgrades and development of the plant and underground operations at RHA Tungsten (Private) Limited (“RHA”), Premier’s 49% owned tungsten project located in Zimbabwe and to support the exploration and development activities at the Zulu Lithium and Tantalum Project as well as for general working capital purposes.

Premier, at its election, has the right to redeem one or all of the outstanding loan notes in cash at 105% of Par Value (equivalent to £26,250 per loan note). Should Premier not redeem any loan notes, Darwin may elect to convert up to 12 loan notes per month from 1<sup>st</sup> February at 105% of Par Value into new ordinary shares in Premier at the conversion price of 90% of the arithmetic average of the volume weighted average share price per ordinary share for the five consecutive trading days selected by Darwin during a ten trading day period preceding conversion.

In addition, the loan notes have certain conversion triggers that enable Darwin to convert the loan notes at 100% of Par Value. As announced on 19 December 2016, the Company subscribed for a further 22 loan notes of the available 35 Loan notes as part of the issue date two of the loan note agreement with Darwin, full terms of which were set out in the announcement dated 22 August 2016. As the issue of any further loan notes other than those issued in accordance with issue date 1 constitutes a conversion trigger, Darwin has elected to convert 19 loan notes at 100% of Par Value (£475,000) at the conversion price of 0.232704p.

The Conversion Notice was therefore received in aggregate for £475,000 of the loan notes (the Par Value outstanding on the remaining issued loan notes is £1,575,000 after conversion today). The Company has therefore issued today 204,121,975 new ordinary shares to Darwin (“Darwin Shares”) at an issue price of 0.232704p per Darwin Share. The Darwin Shares will rank *pari passu* in all respects with the existing ordinary shares. Application will be made for the Darwin Shares to be admitted to trading on AIM and admission is expected to take place on or around 9 January 2017.

Following the issue of the Darwin Shares, the Company’s issued share capital consists of 2,321,186,620 ordinary shares, with voting rights. This figure may be used by shareholders in the

Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

### **Enquiries**

Fuad Sillem	Premier African Minerals Limited	Tel: +44 (0)7734 922074
Michael Cornish / Roland Cornish	Beaumont Cornish Limited (Nominated Adviser)	Tel: +44 (0) 207 628 3396
Jerry Keen/Edward Mansfield	Shore Capital Stockbrokers Limited	Tel: +44 (0) 207 408 4090
Charles Goodwin/ Harriet Jackson/ Dominic Barretto	Yellow Jersey PR Limited	Tel: +44 (0) 754 427 5882

### **Notes**

Premier African Minerals Limited (AIM: PREM) is a multi-commodity mining and natural resource development company focused in Southern and Western Africa with production started at its flagship RHA project in Zimbabwe.

The Company has a diverse portfolio of projects, which include tungsten, rare earth elements, gold, lithium and tantalum in Zimbabwe and Benin, encompassing brownfield projects with near-term production potential to grass-roots exploration. The Company recently acquired a 52% controlling stake in Mozambique-based TCT Industrias Florestais Limitada, which owns a substantial limestone deposit and forestry business located on rail in the Sofala Province of Mozambique. In addition, The Company holds 2 million shares in Circum Minerals Limited ("Circum"), the owners of the Danakil Potash Project in Ethiopia, which has the potential to be a world class asset. At present those shares are valued at US\$4 million based on the latest price at which Circum has accepted subscriptions. Premier also has a 4.5% interest in Casa Mining Limited, a privately-owned exploration company that has a 71.25% interest in the 1.2 million ounce inferred resource Akyanga gold deposit in the DRC.

**ENDS**