

For immediate release

23 November 2016

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 Strategic Limited (“Darwin”) to convert 10 loan notes with an aggregate value of £250,000 into equity (“Conversion Notice”).

The loan notes were issued in August 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 1st 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 should the outstanding loan sums (including accrued and unpaid interest) be in excess of 20% of the Company’s market capitalisation for five consecutive trading days. As the outstanding loan amount currently remain in excess of 20% of the Company’s market capitalisation, Darwin has elected to convert 10 loan notes at 100% of Par Value (£250,000) at the conversion price of 0.31487p. Darwin has converted its 10 loan notes on 21 November 2016.

The Conversion Notice was therefore received in aggregate for £250,000 of the loan notes (the Par Value outstanding on the remaining issued loan notes is £1,500,000 after conversion today). The Company has therefore issued today 79,396,838 new ordinary shares to Darwin (“Darwin Shares”) at an issue price of 0.314874p 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 29 November 2016.

Following the issue of the Darwin Shares, the Company’s issued share capital consists of 2,059,360,608 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.

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